PD-ACE-004

# Mutual Security Program

UNCLASSIFIED

## *Estimates—*

## FISCAL YEAR 1954

JULY 3, 1953

BEST AVAILABLE

PD-ACE-004

MUTUAL SECURITY

Analysis of 1954 Appropriation Request
by Sections of Proposed Mutual Security Act of 1953

(In millions of dollars)

| | Jan. 9, '53 Budget Request 1 a/ | May 5, '53 Request for Appropriation Authority 2 a/ | Appropriation Authority Required After Application of Savings from FY 1953 3 | Reported by House Foreign Affairs & Passed by House of Rep. H.R. 5710 4 | Difference Between Revised Request & H.R. 5710 3-4=5 | Reported by Senate Foreign Relations & Passed by Senate S. 2128 6 | Difference Between Revised Request & S. 2128 3-6=7 | Maximum Authorization Possible 8 |
|---|---|---|---|---|---|---|---|---|
| Sec. 540 - Mutual Defense Materiel and Training | $5,411.1 | $4,024.5 | $3,681.5 | $ 3,481.5 | $-200.0 | $3,681.5 | - | $3,736.7 |
| Sec. 101(a)(1) (Europe - Military Assistance) | 4,056.1 | 2,497.1 | 2,179.7 | 2,079.7 | -100.0 | 2,179.7 | | 2,227.2 |
| Sec. 201 (N.E.A. Military Assistance) | 527.0 | 425.8 | 405.2 | 305.2 | -100.0 | 405.2 | | 410.0 |
| Sec. 301 (Asia & Pacific - Military Assistance) | 808.0 | 1,081.6 | 1,081.6 | 1,081.6 | | 1,081.6 | | 1,084.1 |
| Sec. 401 (American Republics - Military Assistance) | 20.0 | 20.0 | 15.0 | 15.0 | | 15.0 | | 15.4 |
| Sec. 541 - Mutual Defense Financing | 1,220.0 | 995.0 | 984.0 | 384.0 | -100.0 | 984.0 | - | 1,002.2 |
| Sec. 101(a)(2) (Defense Support and Economic Aid in Europe) | 1,116.0 | 300.0 | 300.0 | 200.0 | -100.0 | | | |
| Sec. 102 (Special Procurement) | | | | | | | | |
| Financing French NATO Military Production | - | 100.0 | 100.0 | 100.0 | | | | |
| Financing British NATO Aircraft Production | - | 100.0 | 100.0 | 100.0 | | | | |
| Sec. 302(a) (Defense Support in Formosa and Indochina) | 104.0 | 95.0 | 84.0 | 84.0 | | | | |
| Sec. 304 (Financing the Equipment and Support of Forces in Indochina) | - | 400.0 | 400.0 | 400.0 | | | | |
| Sec. 542 - Mutual Special Weapons Planning | - | 250.0 | 250.0 | 100.0 | -150.0 | 100.0 | $-150.0 | 100.0 |
| Sec. 543 - Mutual Development and Technical Progress | 136.0 | 140.2 | 140.2 | 140.2 | - | 140.2 | - | 140.2 |
| Sec. 203 (N.E.A. - Regular Technical Progress and Development Programs) | 35.0 | 43.8 | 43.8 | 43.8 | | | | |
| Sec. 302(a) (Asia & Pacific - Regular Technical Progress & Development Programs) | (76.0) | (72.1) | (72.1) | 72.1 | | | | |
| South Asia | 50.0 | 49.1 | 49.1 | | | | | |
| Philippines and Thailand | 26.0 | 22.0 | 22.0 | | - | | | |
| Dependent Overseas Territories | - | 1.0 | 1.0 | | | | | |
| Sec. 402 (American Republics - Regular Technical Progress & Development Programs) | 25.0 | 24.3 | 24.3 | 24.3 | - | | | |
| Sec. 514 - Basic Materials Development | 40.0 | 25.0 | 25.0 | | -25.0 | 15.0 | -10.0 | 40.0 |
| Sec. 206 - Special Economic Assistance in the Near East and Africa | 205.0 | 194.0 | 194.0 | 194.0 | - | 194.0 | - | 194.0 |
| Arab States, Israel and Iran | 140.0 | 140.0 | 140.0 | | | | | |
| United Nations Relief and Works Agency (Palestine Refugees) | 65.0 | 30.0 | 30.0 | | | | | |
| Dependent Overseas Territories | | 24.0 | 24.0 | | | | | |
| Sec. 302(b) - Special Economic Assistance - India and Pakistan | 220.0 | 94.4 | 94.4 | 94.4 | - | 94.4 | - | 94.4 |
| Sec. 544 - Multilateral Organizations | 98.9 | 105.6 | 105.6 | 104.6 | -1.0 | 109.6 | $4.0 | 109.6 |
| Sec. 534 (Movement of Migrants) | 10.0 | 10.0 | 10.0 | 10.0 | - | 10.0 | | 10.0 |
| Sec. 545 (Multilateral Technical Cooperation) | 16.0 | 13.8 | 13.8 | 13.8 | | 13.8 | | 13.8 |
| Sec. 546 (International Children's Welfare Work) | - | 9.0 | 9.0 | 9.0 | | 13.0 | $4.0 | 13.0 |
| Sec. 535 (Ocean Freight) | 1.8 | 1.8 | 1.8 | .8 | -1.0 | 1.8 | | 1.8 |
| Sec. 303(a) (United Nations Korean Reconstruction Agency) | 71.1 | 71.0 | 71.0 | 71.0 | | 71.0 | | 71.0 |
| Other | 150.0 | | | | | | | |
| Dependent Overseas Territories | 30.0 | | | | | | | |
| Spain | 120.0 | | | | | | | |
| Total Dollar Authorization Request | 7,481.0 | 5,828.7 | 5,474.7 | 4,998.7 | -476.0 | 5,318.7 | -156.0 | 5,417.1 |
| Add Local Currency Authorizations | 119.0 | 98.4 | 98.4 | 98.4 | | | -98.4 | - b/ |
| Total Authorization Request | 7,600.0 | 5,927.1 | 5,573.1 | 5,097.1 | -476.0 | 5,318.7 | -254.4 | 5,417.1 |

a/ Columns 1 and 2 are not exactly comparable. For explanation of difference see reverse side.

b/ Pursuant to Sec. 548 of H.R. 5710 $98.4 equivalent in foreign currencies has been added to the several appropriations requested.

NOTES CONCERNING COMPARABILITY BETWEEN COLUMNS 1 AND 2
OF TABLE ON REVERSE SIDE OF THIS SHEET

Spanish Aid

Column 1. Includes $120 million for Spain which is not distributed between economic and military assistance but is shown as a separate item under the general heading of "Other".

Column 2. Includes $101 million for Spain. $91 million is for military assistance and is included in the $2,497.1 million requested under Section 540 "Mutual Defense Materiel and Training". $10 million is for economic assistance and is included in the $300 million requested under Section 541 "Mutual Defense Financing".

Financing the Equipment and Support of Forces in Indochina

Column 1. The $1,116.0 million under Section 541 "Mutual Defense Financing" includes $500 million for assistance to France. Consideration was given to treating this amount, either in whole or in part, as a separate Far Eastern request specifically related to the conduct of the Indochina war, substantially in the manner in which the $400 million for "Financing the Equipment and Support of Forces in Indochina" is treated in column 2.

Column 2. $400 million for financing the equipment and support of forces in Indochina is proposed as a separate item under Section 541 "Mutual Defense Financing".

Dependent Overseas Territories

Column 1. No distribution was made among geographic areas of funds included for Dependent Overseas Territories. These funds are shown separately under the category "Other".

Column 2. Funds for Dependent Overseas Territories are distributed geographically. See specific entries under Sections 543 "Mutual Development and Technical Progress" and 206 "Special Economic Assistance in the Near East and Africa".

DISTRIBUTION OF FY 1954 PROGRAM

SUMMARY BY AREA

(In thousands of dollars)

| Area and Country | I Mutual Def. Materiel & Training | II Mutual Defense Financing | III Mutual Spec.Wpns. Planning | IV Mutual Develop. & Technical Progress: Tech.Prog. & Develop. Program | IV Basic Materials Develop. | IV Spec.Econ. Assistance | V Multi-lateral Orgns. | Total |
|---|---|---|---|---|---|---|---|---|
| Europe | 2,539,597.9 | 518,200.0 | | | | | | 3,057,797.9 |
| Near East & Africa | 430,641.8 | | | 43,792.5 | | 194,000.0 | | 668,434.3 |
| Asia & Pacific | 1,084,064.8 | 495,000.0 | | 72,100.0 | | 94,400.0 | | 1,745,564.8 |
| American Republics | 20,414.5 | | | 24,342.0 | | | | 44,756.5 |
| Non-Regional Programs | | | 100,000.0 | | 40,000.0 | | 109,575.0 | 249,575.0 |
| Total | 4,074,719.0 | 1,013,200.0 | 100,000.0 | 140,234.5 | 40,000.0 | 288,400.0 | 109,575,0 | 5,766,128.5 |

5927.1
5766.1
161.0

## DISTRIBUTION OF FY 1954 PROGRAM BY AREA AND COUNTRY

(In thousands of dollars)

| Area and Country | I Mutual Defense Materiel & Training | II Mutual Defense Financing | III Mutual Special Weapons Planning | IV Mutual Development & Technical Progress: Technical Progress & Development | IV: Basic Materials Development | IV: Special Economic Assistance | V Multilateral Organizations | Total |
|---|---|---|---|---|---|---|---|---|
| EUROPE | $2,539,597.9 | $518,200.0 | | | | | | $3,057,797.9 |
| Austria | - | 20,000.0 | | | | | | 20,000.0 |
| Belgium | 182,025.5 | | | | | | | 182,025.5 |
| Denmark | 92,288.5 | | | | | | | 92,288.5 |
| France | 364,288.1 | 100,000.0 | | | | | | 464,288.1 |
| Germany | 338,526.9 | 15,000.0 | | | | | | 353,526.9 |
| Greece (Economic) | | 20,000.0 | | | | | | 20,000.0 |
| Iceland | | | | | | | | |
| Ireland | | | | | | | | |
| Italy | 351,214.0 | 20,000.0 | | | | | | 371,214.0 |
| Luxembourg | 9.1 | | | | | | | 9.1 |
| Netherlands | 93,655.2 | | | | | | | 93,655.2 |
| Norway | 20,056.0 | | | | | | | 20,056.0 |
| Portugal | 21,188.9 | | | | | | | 21,188.9 |
| Spain | 91,090.5 | 10,000.0 | | | | | | 101,090.5 |
| Sweden | | | | | | | | |
| Trieste | | | | | | | | |
| Turkey (Economic) | | 50,000.0 | | | | | | 50,000.0 |
| United Kingdom | 251,115.5 | 200,000.0 | | | | | | 451,115.5 |
| Yugoslavia | 216,905.2 | 45,000.0 | | | | | | 261,905.2 |
| Undistributed | 517,234.5 | 38,200.0 | | | | | | 555,434.5 |
| NEAR EAST AND AFRICA | $ 430,641.8 | $ - | | $43,792.5 | | $194,000.0 | | $ 668,434.3 |
| Egypt | | | | 11,876.0 | | | | 11,876.0 |
| Ethiopia | | | | 1,631.0 | | | | 1,631.0 |
| Greece (Defense) | 47,934.5 | | | | | | | 47,934.5 |
| Iran | 14,197.3 | | | 13,907.0 | | | | 28,104.3 |
| Iraq | | | | 2,237.0 | | | | 2,237.0 |
| Israel | | | | 1,521.0 | | | | 1,521.0 |
| Jordan | | | | 2,258.0 | | | | 2,258.0 |
| Lebanon | | | | 2,852.0 | | | | 2,852.0 |
| Liberia | | | | 1,283.5 | | | | 1,283.5 |
| Libya | | | | 1,534.0 | | | | 1,534.0 |
| Saudi Arabia | | | | 742.0 | | | | 742.0 |
| Syria | | | | 2,937.0 | | | | 2,937.0 |
| Turkey (Defense) | 235,280.8 | | | | | | | 235,280.8 |
| Regional Projects | | | | 1,014.0 | | | | 1,014.0 |
| Undistributed | 133,229.2 | | | | | 194,000.0 | | 327,229.2 |
| ASIA AND PACIFIC | $1,084,064.8 | $495,000.0 | | $72,100.0 | | $ 94,400.0 | | $1,745,564.8 |
| Afghanistan | | | | 1,400.0 | | | | 1,400.0 |
| China | 250,926.2 | 70,000.0 | | | | | | 320,926.2 |
| India | | | | 30,100.0 | | 79,900.0 | | 110,000.0 |
| Indochina | 528,773.9 | 425,000.0 | | | | | | 953,773.9 |
| Indonesia | | | | 4,000.0 | | | | 4,000.0 |
| Nepal | | | | 600.0 | | | | 600.0 |
| Pakistan | | | | 13,000.0 | | 14,500.0 | | 27,500.0 |
| Philippines | 15,711.6 | | | 17,000.0 | | | | 32,711.6 |
| Thailand | 35,245.3 | | | 5,000.0 | | | | 40,245.3 |
| Korea | 4,037.9 | | | | | | | 4,037.9 |
| Japan | 119,891.0 | | | | | | | 119,891.0 |
| DOT's | | | | 1,000.0 | | | | 1,000.0 |
| Undistributed | 129,478.9 | | | | | | | 129,478.9 |
| LATIN AMERICA | $ 20,414.5 | $ - | | $24,342.0 | | | | $ 44,756.5 |
| Bolivia | | | | 1,476.5 | | | | 1,476.5 |
| Brazil | 6,601.4 | | | 3,604.0 | | | | 10,205.4 |
| Chile | 1,905.2 | | | 1,729.9 | | | | 3,635.1 |
| Colombia | 3,181.4 | | | 1,707.3 | | | | 4,888.7 |
| Costa Rica | | | | 1,090.9 | | | | 1,090.9 |
| Cuba | 1,432.1 | | | 242.1 | | | | 1,674.2 |
| Dominican Republic | 408.0 | | | 523.4 | | | | 931.4 |
| Ecuador | 740.1 | | | 1,341.6 | | | | 2,081.7 |
| El Salvador | | | | 763.5 | | | | 763.5 |
| Guatemala | | | | 211.4 | | | | 211.4 |
| Haiti | | | | 808.6 | | | | 808.6 |
| Honduras | | | | 977.3 | | | | 977.3 |
| Mexico | | | | 1,257.4 | | | | 1,257.4 |
| Nicaragua | | | | 674.7 | | | | 674.7 |
| Panama | | | | 1,228.4 | | | | 1,228.4 |
| Paraguay | | | | 1,534.8 | | | | 1,534.8 |
| Peru | 2,007.5 | | | 2,054.8 | | | | 4,062.3 |
| Uruguay | 2,517.3 | | | 515.0 | | | | 3,032.3 |
| Venequela | | | | 187.5 | | | | 187.5 |
| Regional Projects | | | | 1,245.9 | | | | 1,245.9 |
| DOT's | | | | 197.0 | | | | 197.0 |
| Undistributed | 1,621.5 | | | 970.0 | | | | 2,591.5 |
| NON-REGIONAL PROGRAM | | | $100,000.0 | | $40,000.0 | | $109,575.0 | $ 249,575.0 |
| Mutual Special Weapons Planning | | | 100,000.0 | | | | | 100,000.0 |
| Basic Materials Development | | | | | 40,000.0 | | | 40,000.0 |
| Movement of Migrants | | | | | | | 10,000.0 | 10,000.0 |
| Multilateral Technical Corporation | | | | | | | 13,750.0 | 13,750.0 |
| International Children's Welfare Works | | | | | | | 13,000.0 | 13,000.0 |
| Ocean Freight on Relief Shipments | | | | | | | 1,825.0 | 1,825.0 |
| U.N. Korean Reconstruction Agency | | | | | | | 71,000.0 | 71,000.0 |

MUTUAL SECURITY

COMPARATIVE SUMMARY OF OBLIGATIONS BY FUNCTIONS AND ACTIVITIES
(Chapters and Sections Refer to the Mutual Security Act of 1953)

| FUNCTION and Activity | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| CHAPTER I. MUTUAL DEFENSE MATERIEL AND TRAINING | | | |
| Materiel | $5,253,027,196 | $2,399,400,885 | $5,023,702,921 |
| Training | 61,685,785 | 122,229,112 | 173,819,629 |
| Other | - | - | 100,000,000 |
| Total Country Programs | 5,314,712,981 | 2,521,629,997 | 5,297,522,550 |
| Contributions to: | | | |
| Infrastructure | 220,000,000 | (139,756,469) 1/ | 180,000,000 |
| NATO International Military Headquarters | 9,303,260 | 9,151,696 | 8,536,309 |
| NATO International Civilian Headquarters | 501,417 | 1,246,000 | 1,169,000 |
| Standing Group | - | 410,000 | 421,000 |
| Control Act Expenses | 97,516 | 849,786 | 1,078,000 |
| Special Projects | 1,415,769 | 35,930,473 | 34,100,000 |
| Administration (For all MS Programs) | 68,199,920 | 77,778,626 | 68,000,000 |
| Total Direct Obligations | 5,614,230,863 | 2,646,996,578 | 5,590,826,859 |
| Add Reimbursable Obligations | 1,028,413 | 1,075,000 | - |
| Total Obligations | 5,615,259,276 | 2,648,071,578 | 5,590,826,859 |
| Deduct Reimbursable Obligations | | | - |
| Deduct Carryover from 1953 | | | -1,992,256,805 |
| Appropriation Request for Chapter I - Sec. 540 | | | 3,598,570,054 |
| CHAPTER II. MUTUAL DEFENSE FINANCING | | | |
| Defense Support and Economic Aid | | | |
| (a) Europe | 1,509,405,423 | 1,355,607,948 | 430,749,929 |
| (b) Asia and the Pacific | 91,453,488 | 99,225,712 | 95,000,000 |
| Defense NATO Financing | - | - | 200,000,000 |
| Defense Financing for Indochina | - | - | 400,000,000 |
| Total Direct Obligations | 1,600,858,911 | 1,454,833,660 | 1,125,749,929 |
| Add Reimbursable Obligations | - | 7,168,700 | - |
| Total Obligations | 1,600,858,911 | 1,462,002,360 | 1,125,749,929 |
| Deduct Carryover from 1953 | | | - 133,528,502 |
| Appropriation Request for Chapter II - Sec. 541 | | | 992,221,427 |
| CHAPTER III. MUTUAL SPECIAL WEAPONS PLANNING | | | |
| Special Weapons Production (Appropriation Request for Chapter III - Sec. 542) | - | - | 100,000,000 |
| CHAPTER IV. MUTUAL DEVELOPMENT AND TECHNICAL PROGRESS | | | |
| A. Technical Progress and Development | | | |
| (a) Near East and Africa | 37,775,544 | 51,142,166 | 43,792,500 |
| (b) Asia and the Pacific | 124,874,632 | 94,087,699 | 72,100,000 |
| (c) American Republics | 17,788,340 | 21,595,465 | 24,342,000 |
| Total Direct Obligations Technical Progress and Economic Development Programs | 180,438,516 | 166,825,330 | 140,234,500 |
| Deduct Carryover from 1953 | - | - | - 1,871,000 |
| Deobligation of 1951, 1952 and 1953 Programs for Burma | | | - 10,000,000 |
| Appropriation Request for Chapter IV-A - Sec. 543 | | | 128,363,500 |
| B. Basic Materials Development | | | |
| Total Direct Obligations | 79,183,472 | 33,096,806 | 40.000.000 |
| Deduct Carryover from 1953 | - | - | - |
| Appropriation Request for Chapter IV-B - Sec. 402 | | | 40,000,000 |
| C. Special Economic Assistance in Near East and Africa | | | |
| (a) Arab States, Israel and Iran | 64,764,087 | 70,228,000 | 140,000,000 |
| (b) Palestine Refugee Program | 50,000,000 | 16,000,000 | 44,063,250 |
| (c) Dependent Overseas Territories in Africa | - | - | 24,000,000 |
| Total Direct Obligations | 114,764,087 | 86,228,000 | 208,063,250 |
| Deduct Carryover from 1953 | - | - | - 44,063,250 |
| Appropriation Request for Chapter IV-C - Sec. 403 | | | 164,000,000 |
| D. Special Economic Assistance for India and Pakistan | | | |
| Total Direct Obligations | | | 94,400,000 |
| Deduct Carryover from 1953 | | | - |
| Appropriation Request for Chapter IV-D - Sec. 404 | | | 94,400,000 |
| Recapitulation of Chapter IV | | | |
| Total Direct Obligations | 374,386,075 | 286,150,136 | 482,697,750 |
| Deduct Carryover from 1953 | | | - 45,934,250 |
| Deobligation of 1951, 1952 and 1953 Programs for Burma | | | - 10,000,000 |
| Total Appropriation Request for Chapter IV | | | 426,763,500 |
| CHAPTER V. MULTILATERAL ORGANIZATIONS | | | |
| A. Movement of Migrants - Sec. 501 | 10,000,000 | 8,190,500 | 10,000,000 |
| B. Multilateral Technical Cooperation - Sec. 502 | 12,330,000 | 9,171,333 | 13,750,000 |
| C. International Children's Welfare - Sec. 502 | - | 6,666,667 | 9,000,000 |
| D. Ocean Freight Voluntary Relief Packages - Sec. 503 | 2,871,713 | 2,191,078 | 1,825,000 |
| E. United Nations Korean Reconstruction Agency - Sec. 504 | 10,000,000 | 40,750,000 | 71,000,000 |
| Total Direct Obligations | 35,201,713 | 66,969,578 | 105,575,000 |
| Deduct Carryover from 1953 | - | | - 1,096,422 |
| Appropriation Request for Chapter V | | | 104,478,578 |
| Recapitulation of all Functions and Activities | | | |
| Total Direct Obligations | 7,624,677,562 | 4,454,949,952 | 7,404,849,538 |
| Add Reimbursable Obligations | 1,028,413 | 8,243,700 | |
| Total Obligations | 7,625,705,975 | 4,463,193,652 | 7,404,849,538 |
| Deduct: | | | |
| Carryover from 1953 | - | | -2,172,815,979 |
| Deobligation of 1951, 1952 and 1953 Programs for Burma | | | -10,000,000 |
| Total Appropriation Request (All Functions and Activities) | | | 5,222,033,559 |

NOTE: Obligations have been adjusted by functions and titles to conform with the appropriation structure proposed for 1954. Programs financed from public debt authorizations under "Discharge of Investment Guarantee Liabilities" have been excluded.

1/ For comparative purposes on total Infrastructure Program obligations shown for Fiscal Year 1953 included are against the appropriation "Military Public Works Construction, Office of the Secretary of Defense".

CHAPTER I - MUTUAL DEFENSE MATERIEL AND TRAINING
TOTAL PROGRAM
COMPARATIVE SUMMARY OF OBLIGATIONS BY ACTIVITY

| Activity | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| **Europe** | | | |
| Materiel | 4,059,845,816 | 1,794,599,419 | 3,180,581,413 |
| Training | 51,347,136 | 94,642,814 | 120,289,191 |
| Total country programs | 4,111,192,952 | 1,889,242,233 | 3,300,870,604 |
| Contributions to: | | | |
| Infrastructure | 220,000,000 | (139,756,469)[1/] | 180,000,000 |
| NATO International Military Headquarters | 9,303,260 | 9,151,696 | 8,536,309 |
| NATO International Civilian Headquarters | 501,417 | 1,246,000 | 1,169,000 |
| Standing Group | - | 410,000 | 421,000 |
| Control Act Expenses | 97,516 | 849,786 | 1,078,000 |
| Special Projects | 1,415,769 | 3,680,473 | 34,100,000 |
| Administration (for all MS programs) | 68,199,920 | 77,778,626 | 68,000,000 |
| Total direct obligations | 4,410,710,834 | 1,982,358,814 | 3,594,174,913 |
| Deduct carryover from 1953 | | | 1,371,977,003 |
| Appropriation Request - Europe | | | 2,222,197,910 |
| **Near East and Africa** | | | |
| Materiel | 430,081,340 | 208,157,271 | 491,429,161 |
| Training | 4,041,929 | 15,146,903 | 22,366,180 |
| Other | - | - | 100,000,000 |
| Total direct obligations | 434,123,269 | 223,304,174 | 613,795,341 |
| Add reimbursable obligations | 1,028,413 | 1,075,000 | - |
| Total obligations | 435,151,682 | 224,379,174 | 613,795,341 |
| Deduct carryover from 1953 | | | 312,713,221 |
| Deduct reimbursable obligations | | | - |
| Appropriation Request Near East and Africa | | | 301,082,120 |
| **Asia and the Pacific** | | | |
| Materiel | 735,497,888 | 386,835,196 | 1,290,651,518 |
| Training | 6,296,720 | 10,590,400 | 26,067,907 |
| Special Projects | - | 32,250,000 | - |
| Total direct obligations | 741,794,608 | 429,675,596 | 1,316,719,425 |
| Deduct carryover from 1953 | | | 256,843,411 |
| Appropriation Request for Asia and the Pacific | | | 1,059,876,014 |
| **American Republics** | | | |
| Materiel | 27,602,152 | 9,808,999 | 61,040,829 |
| Training | - | 1,848,995 | 5,096,351 |
| Total direct obligations | 27,602,152 | 11,657,994 | 66,137,180 |
| Deduct carryover from 1953 | | | 50,723,170 |
| Appropriation Request for American Republics | | | 15,414,010 |
| **Recapitulation of All Areas** | | | |
| Total direct obligations | 5,614,230,863 | 2,646,996,578 | 5,590,826,859 |
| Add reimbursable obligations | 1,028,413 | 1,075,000 | - |
| Total obligations | 5,615,259,276 | 2,648,071,578 | 5,590,826,859 |
| Deduct carryover from 1953 | | | 1,992,256,805 |
| Deduct reimbursable obligations | | | - |
| Total Appropriation Request for "Mutual Defense Materiel and Training" | | | 3,598,570,054 |

1/ For comparative purposes on total Infrastructure Program obligations shown for Fiscal Year 1953 included are against the appropriation "Military Public Works Construction, Office of the Secretary of Defense,



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MUTUAL DEFENSE MATERIEL AND TRAINING

EUROPE

MATERIEL - COMPARATIVE SUMMARY OF OBLIGATIONS BY MAJOR CATEGORY

| | Actual FY 1952 | Estimated FY 1953 | Estimated FY 1954 |
|---|---|---|---|
| Aircraft, Spare Parts, Aero Equip. & Supplies | 1,013,706,873 | 617,175,806 | 765,600,097 |
| Vessels | 340,777,822 | 239,319,483 | 167,908,430 |
| Vessel Equipment | 16,559,588 | 5,395,502 | 11,931,110 |
| Electronics & Other Signal Equipment | 241,631,210 | 136,837,136 | 380,620,885 |
| Ordnance Equipment & Supplies | 2,216,358,441 | 532,978,204 | 1,594,240,891 |
| Engineering Equipment & Supplies | 43,374,647 | 40,100,000 | 35,262,618 |
| Quartermaster Equipment & Supplies | 277,095 | 467 | 100,991 |
| Transportation Equipment & Supplies | 54,937,000 | 32,361,757 | 12,178,919 |
| Medical Equipment & Supplies | 196,441 | 134 | 100,017 |
| P.O.L. | 100,000 | 280,942 | - |
| Other and Miscellaneous | 10,724,222 | 5,611,353 | 33,192,048 |
| Undistributed Facilities Assistance | - | - | 11,200,000 |
| Sub-Total | 3,938,643,339 | 1,610,060,784 | 3,012,336,006 |
| Repair & Rehabilitation of Excess Materiel | 8,487,810 | 19,633,083 | 8,675,407 |
| Total Materiel | 3,947,131,149 | 1,629,693,867 | 3,021,011,413 |
| Accessorial Costs | 112,714,667 | 164,905,552 | 159,570,000 |
| GRAND TOTAL MATERIEL | 4,059,845,816 | 1,794,599,419 | 3,180,581,413 |
| Acquisition Cost of Excess Items | 97,601,633 | 23,635,387 | 3,790,288 |

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DEPARTMENT OF THE ARMY
EUROPE
SUMMARY BY AGENCY - MATERIEL PROGRAM - COMPARATIVE ESTIMATES

| CATEGORY | Obligations Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| ELECTRONICS & COMM. SUPPLIES & EQUIP | $ 147,418,370 | $ 75,100,000 | $ 194,513,524 |
| ORDNANCE EQUIPMENT & SUPPLIES | 1,968,801,332 | 328,584,934 | 1,357,231,643 |
| Tanks & Combat Vehicles | 894,227,919 | (135,800,000) | 601,666.081 |
| Motor Transport Vehicles | 208,406,386 | (62,200,000) | 125,259,449 |
| Small Arms & Machine Guns | 66,753,637 | 4,200,000 | 15,549,755 |
| Artillery & Fire Control | 215.286,481 | (59,800,000) | 158,353,332 |
| Small Arms & MG Ammunition | 21,675,921 | 39,300,000 | 38,822,862 |
| Artillery Ammunition | 446,775,204 | 495,284,934 | 390,856,222 |
| Bombs, Rockets & Misc. Ammunition | 112,258,238 | 46,500,000 | 25,923,942 |
| Miscellaneous Ordnance | 916,488 | 600,000 | - |
| Aircraft & Aeronautical Sup | 2,501,058 | 500,000 | 800,000 |
| ENGINEERING EQUIPMENT & SUPPLIES | 43,374,647 | 40,100,000 | 35,180,073 |
| QUARTERMASTER EQUIPMENT & SUPPLIES | 277,095 | - | 100,000 |
| TRANSPORTATION EQUIPMENT & SUPPLIES | - | - | - |
| MEDICAL EQUIPMENT & SUPPLIES | 147,280 | - | 100,000 |
| CHEMICAL EQUIPMENT & SUPPLIES | 282,922 | 900,000 | 657,607 |
| TRAINING AIDS | - | - | 1,200,000 |
| ADJUTANT GENERAL SUPPLIES | 385,300 | 100,000 | 500,000 |
| PREPRODUCTION COSTS | - | - | 5,000,000 |
| OSP EXPENSES | - | 715,066 | 2,015,515 |
| SUB-TOTAL (MATERIEL) | 2,160,686,946 | 445,500,000 | 1,596,498,362 |
| REPAIR & REHAB OF EXCESS | 4,229,400 | 4,300,000 | - |
| TOTAL - MATERIEL & REPAIR & REHABILITATION OF EXCESS | 2,164,916,346 | 449,800,000 | 1,596,498,362 |
| ACCESSORIAL COSTS | | | |
| Packing, Handling & Crating | * 25,054,101 | 34,240,000 | 39,902,079 |
| Inland Transportation | 18,597,910 | 23,553,000 | 31,097,921 |
| Ocean Transportation | 16,269,861 | 20,258,000 | 30,000,000 |
| TOTAL ACCESSORIAL COSTS | 59,921,872 | 78,051,000 | 101,000,000 |
| GRAND TOTAL - MATERIEL | 2,224,838,218 | 527,851,000 | 1,697,498,362 |
| ACQUISITION COST OF EXCESS ITEMS (Not included in total materiel estimate) | 23,859,919 | 4,193,211 | - |

* Includes comparative transfer of "Formerly Administrative" $10,332,801

DEPARTMENT OF THE NAVY

**EUROPE**

SUMMARY BY AGENCY - MATERIEL PROGRAM - COMPARATIVE ESTIMATES

| CATEGORY | Obligations Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| VESSELS | $ 340,777,822 | $ 239,319,483 | $ 167,908,430 |
| Combatant | 54,631,656 | 14,301,194 | 24,399,200 |
| Minecraft | 204,044,116 | 212,674,100 | 122,717,090 |
| Miscellaneous | 82,102,050 | 12,344,189 | 20,792,140 |
| VESSEL EQUIPMENT | 58,687,916 | 9,918,653 | 54,009,789 |
| Minesweeping Gear | 2,863,971 | 648,675 | 850,762 |
| Spare Parts | 1,753,304 | 994,978 | 5,315,877 |
| Electronics | 42,128,328 | 4,523,151 | 42,078,679 |
| Other Vessel Equipment | 11,942,313 | 3,751,849 | 5,764,471 |
| AIRCRAFT & AERONAUTICAL EQUIPMENT | 93,482,595 | 89,686,469 | 113,132,958 |
| Aircraft and Aircraft Spares | 84,127,305 | 79,279,367 | 89,801,589 |
| Other Aeronautical Equipment | 9,355,290 | 10,407,102 | 23,331,369 |
| ORDNANCE EQUIPMENT AND SUPPLIES | 57,240,383 | 24,921,345 | 46,005,744 |
| Naval Guns | 13,643,160 | 10,877,023 | 12,307,542 |
| Artillery Ammunition | 14,454,768 | 11,045,981 | 17,929,959 |
| Bombs and Rockets | 12,012,111 | 2,511,414 | 4,971,938 |
| Miscellaneous Ordnance | 17,130,344 | 486,927 | 10,796,305 |
| ENGINEERING EQUIPMENT AND SUPPLIES | - | - | 82,545 |
| QUARTERMASTER EQUIPMENT & SUPPLIES & NGS | - | 467 | 991 |
| Clothing & NGS | - | 467 | 991 |
| Subsistence | - | - | - |
| P.O.L. | - | - | - |
| MEDICAL EQUIPMENT & SUPPLIES | 49,161 | 134 | 17 |
| SUB-TOTAL (MATERIEL) | 550,237,877 | 363,846,551 | 381,140,474 |
| REPAIR AND REHABILITATION OF EXCESS | 4,258,410 | 3,236,872 | 8,275,407 |
| TOTAL - MATERIEL & REPAIR & REHABILITATION OF EXCESS | $ 554,496,287 | $ 367,083,423 | $ 389,415,881 |
| ACCESSORIAL COSTS | | | |
| Packing, Handling, Crating & Direct Operating Expenses | 1,468,516 | 3,034,001 | 3,132,800 |
| Inland Transportation | 771,877 | 2,309,899 | 3,132,800 |
| Ocean Transportation | 1,184,832 | 967,100 | 1,566,400 |
| TOTAL ACCESSORIAL COSTS | 3,425,225 | 6,311,000 | 7,832,000 |
| DEVELOPMENT COSTS | 1,300,000 | - | - |
| GRAND TOTAL (MATERIEL) | $ 559,221,512 | $ 373,394,423 | $ 397,247,881 |
| ACQUISITION COST OF EXCESS ITEMS (Not included in total materiel estimate) | $ 73,741,714 | $ 19,442,176 | $ 3,790,288 |

DEPARTMENT OF THE AIR FORCE
EUROPE
SUMMARY BY AGENCY - MATERIEL PROGRAM - COMPARATIVE ESTIMATES

| CATEGORY | Obligations Actual FY 1952 | Obligations Estimate FY 1953 | Obligations Estimate FY 1954 |
|---|---|---|---|
| Aircraft Complete with Spares | $ 920,224,278 | $ 527,489,337 | $ 652,467,139 |
| Electronics & Communications Equipment & Spares | 52,084,512 | 57,213,985 | 144,028,682 |
| Ground Powered & Marine Equipment & Spares | 54,937,000 | 32,361,757 | 12,178,919 |
| Weapons & Spares | 24,251,060 | 20,752,184 | 33,026,348 |
| General Equipment & Spares | 24,997,585 | 157,135,471 | 88,100,079 |
| Bombs, Rockets & Miscellaneous Ammunition | 141,068,081 | 1,584,270 | 69,877,077 |
| POL for Aircraft | 100,000 | 280,942 | |
| POL for Other than Aircraft | | | |
| Training Equipment, Maintenance Parts & Supplies | 10,056,000 | 3,896,287 | 23,818,926 |
| Sub-Total | $1,227,718,516 | $ 800,714,233 | $1,023,497,170 |
| Repair & Rehab of Excess Materiel | | 12,096,211 | 400,000 |
| Total End Items | $1,227,718,516 | $ 812,810,444 | $1,023,897,170 |
| ACCESSORIAL CHARGES | | | |
| Plant Expansion | 13,000,000 | 32,490,117 | |
| Inland Transportation | 7,413,267 | 12,561,659 | 15,976,000 |
| Ocean & Air Transportation | 7,869,154 | 9,158,160 | 13,180,000 |
| Depot Operations | 18,189,163 | 26,271,342 | 21,582,000 |
| Rehabilitation of Installations | 1,595,986 | 42,274 | |
| Construction | | 20,000 | |
| TOTAL MATERIEL | $1,275,786,086 | $ 893,353,996 | $1,074,635,170 |

MUTUAL DEFENSE MATERIEL AND TRAINING
EUROPE
TRAINING-COMPARATIVE SUMMARY OF OBLIGATIONS BY CATEGORY

| Dept. of the Army<br>CATEGORY | No. of Spaces<br>Actual FY 1952 | <br>Estimate FY 1953 | <br>Estimate FY 1954 | Cost to U.S.<br>Actual FY 1952 | <br>Estimate FY 1953 | <br>Estimate FY 1954 |
|---|---|---|---|---|---|---|
| 1. Formal Training ZI | 584 | 708 | 1,092 | $ 929,388 | $1,086,463 | $1,636,560 |
| 2. Formal Training O/S | 550 | 712 | 1,071 | 252,975 | 60,528 | 632,010 |
| 3. Mobile Training Teams (No. of Teams) | (3) | (5) | (22) | 268,028 | 85,931 | 3,957,040 |
| 4. Technical Representatives (Man years of service) | (36) | (58) | (68) | 52,730 | 380,154 | 974,000 |
| 5. Training Aids | - | - | - | 233,560 | - | - |
| 6. Miscellaneous Fund | - | - | - | 30,000 | 49,585 | 86,000 |
| 7. Interpreters | 4 | 2 | 2 | 20,000 | 10,000 | 10,000 |
| 8. Training Expenses of Mission (T)(Man years) | (442) | - | - | 518,926 | - | - |
| Total | 1,138 | 1,422 | 2,165 | $2,305,607 | $ 1,672,661 | $ 7,295,610 |
| **Dept. of the Navy** | | | | | | |
| CATEGORY | | | | | | |
| 1. Formal Training ZI | 922 | 1,699 | 4,064 | $14,511,578 | $4,259,888 | $24,848,600 |
| 2. Formal Training O/S | - | - | - | - | - | |
| 3. Mobile Training Teams (No. of Teams) | (17) | (35) | (65) | 42,180 | 130,371 | 181,852 |
| 4. Technical Representatives (Man years of service) | (13) | (20) | ( 5) | 105,000 | 165,000 | 162,049 |
| 5. Training Aids | - | - | - | 990,807 | 227,460 | 2,710,760 |
| 6. Miscellaneous Fund | - | - | - | 19,500 | 20,000 | 200,000 |
| 7. Interpreters | - | - | - | - | - | - |
| 8. Training Expenses of Mission (T)(Man years) | - | - | - | - | - | - |
| Total | 922 | 1,699 | 4,064 | $15,669,065 | $4,802,719 | $28,103,261 |
| **Dept. of the Air Force** | | | | | | |
| CATEGORY | | | | | | |
| 1. Formal Training ZI | 5,998 | 4,452 | 3,360 | $30,298,076 | $83,138,104 | $59,722,740 |
| 2. Formal Training O/S | 434 | 739 | 2,581 | 269,221 | 1,134,110 | 18,081,330 |
| 3. Mobile Training Teams (No. of Teams) | (48) | (61) | (78) | 361,985 | 898,510 | 1,738,120 |
| 4. Technical Representatives (Man years of service) | (124) | (145) | (255) | 2,079,299 | 2,640,640 | 5,052,300 |
| 5. Training Aids | - | - | - | - | - | - |
| 6. Miscellaneous Fund | - | - | - | 363,883 | 356,070 | 295,830 |
| 7. Interpreters | - | - | - | - | - | - |
| 8. Training Expenses of Mission (T)(Man years) | - | - | - | - | - | - |
| Total | 6,432 | 5,191 | 5,941 | $33,372,464 | $88,167,434 | $ 84,890,320 |
| GRAND TOTAL | 8,492 | 8,312 | 12,170 | $51,347,136 | $94,642,814 | $120,289,191 |

MUTUAL DEFENSE MATERIEL AND TRAINING

EUROPE

COMPARATIVE SUMMARY OF OBLIGATIONS BY ACTIVITY

| | Obligations | | |
|---|---|---|---|
| | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
| Contributions to: | | | |
| 1. Infrastructure | $220,000,000 | $ (139,756,469) * | $180,000,000 |
| 2. NATO-Military International Hdqs. | 9,303,260 | 9,151,696 | 8,536,309 |
| 3. NATO-Civilian International Headquarters | $ 501,417 | $ 1,246,000 | $ 1,169,000 |
| 4. Standing Group | - | 410,000 | 421,000 |

* For comparative purposes only - FY 1953 Obligations charged to Military Construction, Foreign Countries, Office of the Secretary of Defense.

DETAILS OF INFRASTRUCTURE CONTRIBUTIONS a/

| | Total Cost | U.S.Share | Less Taxes | Net Due |
|---|---|---|---|---|
| Second Slice | $327,230,000 | $157,397,630 | $20,553,968 | $136,843,662 |
| Third Slice | 478,305,000 | 204,523,218 | 19,257,546 | 185,265,672 |
| Fourth Slice | 406,600,000 | 171,895,093 | 19,840,771 | 152,054,322 |
| U.S.A.F. NATO Construction | 51,000,000 | 51,000,000 | - | 51,000,000 |
| Contingent Reserve | | | | 14,592,813 |
| Total | $1,263,135,000 | $584,815,941 | $59,652,285 | $539,756,469 |
| Infrastructure Contributions by Countries: | | | | |
| Belgium | $ 88,306,000 | $ 39,480,617 | $ 789,612 | $ 38,691,005 |
| Denmark | 44,173,000 | 18,831,698 | - | 18,831,698 |
| France | 589,375,000 | 265,995,148 | 39,899,273 | 226,095,875 |
| Italy | 183,775,000 | 78,369,777 | 6,269,582 | 72,100,195 |
| Luxembourg | 4,239,000 | 1,904,391 | 190,439 | 1,713,952 |
| Netherlands | 57,417,000 | 25,281,687 | 1,516,901 | 23,764,786 |
| Norway | 73,954,000 | 31,460,275 | 157,301 | 31,302,974 |
| U.K. | 8,372,000 | 3,736,146 | 37,362 | 3,698,784 |
| French North Africa | 58,296,000 | 24,985,666 | - | 24,985,666 |
| Portugal | 5,768,000 | 2,472,164 | - | 2,472,164 |
| Greece | 40,264,000 | 16,885,198 | 5,065,559 | 11,819,639 |
| Turkey | 68,292,000 | 28,631,283 | 5,726,256 | 22,905,027 |
| Total Approved Program | $1,222,231,000 | $538,034,050 | $59,652,285 | $478,381,765 |
| Less -Unfinanced Portion | 10,096,000 | 4,218,109 | - | 4,218,109 |
| Grand Total | $1,212,135,000 | $533,815,941 | $59,652,285 | $474,163,656 |

a/ Percentages of U.S. contributions: Second Slice - 48.10%; Third Slice - 42.76%; Fourth Slice A - 41.78% and Fourth Slice B - 42.86%

MUTUAL DEFENSE ASSISTANCE CONTROL

COMPARATIVE SUMMARY OF OBLIGATIONS BY ACTIVITY

| Activity | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Control Act Expenses | $97,516 | $849,786 | $1,078,000 |

SECRET - SECURITY INFORMATION

ESCAPEE PROGRAM

Comparative Summary of Obligations by Area and Activity

PART I

| | FY 1952 | FY 1953 | | FY 1954 | |
|---|---|---|---|---|---|
| Obligations | $ 1,415,769 | $ 3,680,473 | | $ 9,540,000 | |
| Obligations by Area & by Activity | Europe | Europe | Middle & Far East | Europe | Middle & Far East |
| Resettlement | 1,400,000 | 944,087 | 270,000 | 3,000,000 | 1,425,000 |
| Care & Maintenance | 15,769 | 2,466,386 | -0- | 5,040,000 | 75,000 |
| Total | 1,415,769 | 3,410,473 | 270,000 | 8,040,000 | 1,500,000 |

| Summary Table on Europe | FY 1953 | FY 1954 |
|---|---|---|
| Number escapees resettled or awaiting transportation | 5,000 | 12,000 |
| Average number escapees registered for assistance during year | 16,500 | 28,000 |

CARE & MAINTENANCE
Escapees Registered for Assistance
as of April 15, 1953

RESETTLEMENT
Escapees Departed or
Awaiting Departure
as of May 31, 1953

| Country | Albanians | Balts | Bulgarians | Czechs | Hungarians | Poles | Rumanians | USSR | TOTAL | Country of Immigration | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| W. Germany | 7 | 260 | 97 | 2,838 | 695 | 963 | 116 | 381 | 5,357 | Australia | 382 |
| Austria | 2 | 23 | 105 | 939 | 1,997 | 244 | 269 | 51 | 3,630 | Canada | 312 |
| Italy | 92 | 6 | 101 | 279 | 230 | 106 | 134 | 33 | 981 | South America | 271 |
| Trieste | 12 | - | 129 | 38 | 121 | 4 | 76 | 53 | 433 | U. S. A. | 3,669 |
| Greece | 418 | - | 346 | - | 1 | - | 5 | 4 | 774 | Europe | 75 |
| Turkey | 16 | - | 242 | 12 | 11 | 2 | 12 | - | 295 | | |
| W. Europe | 3 | 96 | 31 | 329 | 565 | 1,545 | 233 | 284 | 3,086 | | |
| TOTAL | 550 | 385 | 1,051 | 4,435 | 3,620 | 2,864 | 845 | 806 | 14,556 | TOTAL | 4,709 |

PART II 1/

| | FY 1952 | FY 1953 | FY 1954 |
|---|---|---|---|
| Obligations | - | - | 24,560,000 |
| Total Request | | | 34,100,000 |

1/ Part II will be discussed orally.

MUTUAL DEFENSE MATERIEL AND TRAINING

COMPARATIVE SUMMARY OF OBLIGATIONS

| | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Administration | $68,199,920 | $77,778,626 | $68,000,000 |

The 1954 administrative expense justification for all Mutual Security programs appears in a separate document. Amount is shown in summary manner to add up to the total appropriation request for this title.

MUTUAL DEFENSE ASSISTANCE MATERIEL AND TRAINING

NEAR EAST AND AFRICA

MATERIEL - COMPARATIVE SUMMARY OF OBLIGATIONS BY MAJOR CATEGORY

| | | | |
|---|---|---|---|
| Aircraft Spare Parts, Aero Equipment & Supplies | 174,808,079 | 39,986,673 | 4,852,619 |
| Vessels | 3,736,035 | 11,107,777 | 11,551,287 |
| Vessel Equipment | 3,336,209 | 1,156,737 | 2,281,155 |
| Electronics and Other Signal Equipment | 18,975,629 | 24,432,519 | 26,835,016 |
| Ordnance Equipment and Supplies | 186,671,773 | 75,610,165 | 393,205,349 |
| Engineering Equipment and Supplies | 6,690,212 | 7,898,668 | 18,757,689 |
| Quartermaster Equipment and Supplies | 11,205,133 | 3,300,000 | 33,568 |
| Transportation Equipment and Supplies | 3,302,383 | 2,577,345 | 1,033,907 |
| Medical Equipment and Supplies | 1,298,784 | 200,000 | 1,801,194 |
| POL | 70,196 | 11,790,972 | 220,000 |
| Other and Miscellaneous | 54,413 | 3,642,993 | 892,377 |
| Subtotal | 410,148,846 | 181,703,849 | 461,464,161 |
| Repair and Rehabilitation of Excess Materiel | 46,149 | 1,431,029 | 1,000,000 |
| Total Materiel | 410,194,995 | 183,134,878 | 462,464,161 |
| Accessorial Costs | 19,886,345 | 25,022,393 | 28,965,000 |
| GRAND TOTAL MATERIEL | 430,081,340 | 208,157,271 | 491,429,161 |
| Acquisition Cost of Excess Items | 14,522,492 | 7,878,526 | - |

DEPARTMENT OF THE ARMY
NEAR EAST AND AFRICA
SUMMARY BY AGENCY - MATERIEL PROGRAM - COMPARATIVE ESTIMATES

| CATEGORY | Obligations Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| ELECTRONICS & COMM. SUPPLIES & EQUIP | $ 14,296,457 | $ 16,000,000 | $ 23,195,211 |
| ORDNANCE EQUIPMENT & SUPPLIES | 159,840,988 | 43,468,366 | 367,250,094 |
| Tanks & Combat Vehicles | 29,653,941 | (6,300,000) | 86,729,058 |
| Motor Transport Vehicles | 3,655,717 | 29,000,000 | 112,256,646 |
| Small Arms & Machine Guns | 6,549,283 | 300,000 | 6,741,205 |
| Artillery & Fire Control | 15,449,546 | 11,100,000 | 19,778,020 |
| Small Arms & MG Ammunition | 5,271,625 | 2,968,366 | 2,417,906 |
| Artillery Ammunition | 96,644,686 | (10,300,000) | 105,140,686 |
| Bombs, Rockets & Misc. Ammunition | 4,929,336 | (1,800,000) | 26,386,573 |
| Miscellaneous Ordnance | (2,644,583) | 17,700,000 | 7,800,000 |
| Aircraft & Aeronautical Sup | 331,437 | 800,000 | - |
| ENGINEERING EQUIPMENT & SUPPLIES | 1,346,155 | 5,800,000 | 17,837,489 |
| QUARTERMASTER EQUIPMENT & SUPPLIES | 9,023,519 | 3,300,000 | - |
| TRANSPORTATION EQUIPMENT & SUPPLIES | - | - | - |
| MEDICAL EQUIPMENT & SUPPLIES | 1,088,089 | 200,000 | 1,800,000 |
| CHEMICAL EQUIPMENT & SUPPLIES | 54,413 | - | - |
| TRAINING AIDS | - | - | 200,000 |
| ADJUTANT GENERAL SUPPLIES | - | - | - |
| PREPRODUCTION COSTS | - | - | 500,000 |
| OSP EXPENSES | - | 31,634 | - |
| SUB-TOTAL (MATERIEL) | 185,649,621 | 68,800,000 | 410,782,794 |
| REPAIR & REHAB OF EXCESS | 46,149 | (300,000) | 1,000,000 |
| TOTAL - MATERIEL & REPAIR & REHABILITATION OF EXCESS | 185,695,770 | 68,500,000 | 411,782,794 |
| ACCESSORIAL COSTS | | | |
| Packing, Handling & Crating | 1,169,308 | 2,488,000 | 2,953,419 |
| Inland Transportation | 2,103,027 | 3,621,000 | 3,511,645 |
| Ocean Transportation | 4,910,996 | 9,838,000 | 10,534,936 |
| TOTAL ACCESSORIAL COSTS | 8.183,331 | 15,947,000 | 17,000,000 |
| GRAND TOTAL - MATERIEL | 193,879,101 | 84,447,000 | 428,782,794 |
| ACQUISITION COST OF EXCESS ITEMS (Not included in total materiel estimate) | 808,246 | 4,370,769 | - |

DEPARTMENT OF THE NAVY
NEAR EAST AND AFRICA
SUMMARY BY AGENCY - MATERIEL PROGRAM - COMPARATIVE ESTIMATES

| CATEGORY | Obligations Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| VESSELS | $ 3,736,035 | $ 11,107,777 | $ 11,551,287 |
| Combatant | - | 3,600,000 | 2,128,000 |
| Minecraft | 1,583,883 | 6,594,078 | 7,953,804 |
| Miscellaneous | 2,152,152 | 913,699 | 1,469,483 |
| VESSEL EQUIPMENT | 4,037,444 | 1,805,467 | 2,861,450 |
| Minesweeping Gear | 1,030,203 | 195,094 | 1,718,507 |
| Spare Parts | 1,843,079 | 858,815 | 399,063 |
| Electronics | 701,235 | 648,730 | 580,295 |
| Other Vessel Equipment | 462,927 | 102,828 | 163,585 |
| AIRCRAFT & AERONAUTICAL EQUIPMENT | - | 96,600 | 7,000 |
| Aircraft and Aircraft Spares | - | 96,600 | 7,000 |
| ORDNANCE EQUIPMENT AND SUPPLIES | 5,789,777 | 1,365,967 | 5,600,801 |
| Naval Guns | - | 262,167 | - |
| Artillery Ammunition | 1,996,602 | 484,448 | 2,619,810 |
| Bombs and Rockets | 3,128,573 | 209,625 | 2,097,419 |
| Miscellaneous Ordnance | 664,602 | 409,727 | 883,572 |
| ENGINEERING EQUIPMENT AND SUPPLIES | 5,344,057 | 2,098,668 | 920,200 |
| QUARTERMASTER EQUIPMENT & SUPPLIES & NGS | 2,181,614 | - | 33,568 |
| Clothing & NGS | 2,179,836 | - | 33,088 |
| Subsistence | 1,778 | - | 480 |
| P.O.L. | - | - | - |
| MEDICAL EQUIPMENT & SUPPLIES | 210,695 | - | 1,194 |
| SUB-TOTAL (MATERIEL) | $ 21,299,622 | $ 16,474,479 | $ 20,975,500 |
| REPAIR & REHABILITATION OF EXCESS | - | - | - |
| TOTAL - MATERIEL & REPAIR & REHABILITATION OF EXCESS | 21,299,622 | 16,474,479 | 20,975,500 |
| ACCESSORIAL COSTS | | | |
| Packing, Handling, Crating & Direct Operating Expenses | 618,294 | 613,100 | 910,000 |
| Inland Transportation | 245,993 | 342,850 | 910,000 |
| Ocean Transportation | 900,294 | 544,050 | 455,000 |
| TOTAL ACCESSORIAL COSTS | 1,764,581 | 1,500,000 | 2,275,000 |
| GRAND TOTAL (MATERIEL) | $ 23,064,203 | $ 17,974,479 | $ 23,250,500 |
| ACQUISITION COST OF EXCESS ITEMS (Not included in total materiel estimate) | $ 13,713,746 | $ 3,507,757 | - |

DEPARTMENT OF THE AIR FORCE
NEAR EAST AND AFRICA
SUMMARY BY AGENCY - MATERIEL PROGRAM - COMPARATIVE ESTIMATES

| CATEGORY | Obligations Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Aircraft Complete with Spares | $ 174,808,079 | $ 39,890,073 | $ 4,845,619 |
| Electronics & Communications Equipment & Spares | 3,977,937 | 7,783,789 | 3,059,510 |
| Ground Powered & Marine Equipment & Spares | 3,302,383 | 2,577,345 | 1,033,907 |
| Weapons & Spares | 3,208,705 | 5,640,602 | 1,343,135 |
| General Equipment & Spares | 6,638,065 | 23,054,648 | 3,914,079 |
| Bombs, Rockets & Miscellaneous Ammunition | 11,194,238 | 2,080,582 | 15,097,240 |
| POL for Aircraft | 70,196 | 7,964,040 | 220,000 |
| POL for other than Aircraft | | 3,826,932 | |
| Training Equipment, Maintenance Parts & Supplies | | 3,611,359 | 192,377 |
| Sub-Total | $ 203,199,603 | $ 96,429,370 | $ 29,705,867 |
| Repair & Rehab of Excess Materiel | | 1,731,029 | |
| Total End Items | $ 203,199,603 | $ 98,160,399 | $ 29,705,867 |
| ACCESSORIAL CHARGES | | | |
| Inland Transportation | 1,523,246 | 1,621,675 | 2,219,000 |
| Ocean & Air Transportation | 2,219,237 | 2,253,651 | 3,774,000 |
| Depot Operations | 1,395,950 | 3,700,067 | 3,697,000 |
| Construction | 4,800,000 | | |
| TOTAL MATERIEL | $ 213,138,036 | $ 105,735,792 | $ 39,395,867 |

MUTUAL DEFENSE MATERIEL & TRAINING
NEAR EAST AND AFRICA
TRAINING - COMPARATIVE SUMMARY OF OBLIGATIONS BY CATEGORY

| | Dept. of the Army | No. of Spaces | | | Cost to U.S. | | |
|---|---|---|---|---|---|---|---|
| | CATEGORY | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
| 1. | Formal Training ZI | 209 | 375 | 1,237 | $100,516 | $517,678 | $3,949,580 |
| 2. | Formal Training O/S | 464 | 254 | 831 | 47,726 | 129,420 | 643,440 |
| 3. | Mobile Training Teams (No. of Teams) | (3) | (2) | (26) | 12,000 | 91,000 | 938,040 |
| 4. | Technical Representatives (Man years of service) | (5) | (6) | (33) | 25,097 | 48,532 | 450,000 |
| 5. | Training Aids | - | - | - | 25,506 | - | - |
| 6. | Miscellaneous Funds | - | - | - | - | 35,590 | 103,700 |
| 7. | Interpreters | - | (1) | (3) | - | 15,000 | 15,000 |
| 8. | Training Expenses of Mission (T) (Man Yrs) | (360) | (912) | (583) | 773,933 | 4,478,022 | 4,200,010 |
| | Total | 673 | 629 | 2,068 | $984,778 | $5,315,242 | $10,299,770 |
| | **Dept. of the Navy** | | | | | | |
| | CATEGORY | | | | | | |
| 1. | Formal Training ZI | 16 | 534 | 328 | $489,518 | $310,537 | $350,120 |
| 2. | Formal Training O/S | 7 | 10 | 7 | 43,200 | 22,621 | 15,900 |
| 3. | Mobile Training Teams (No. of Teams) | - | (5) | (6) | - | 15,000 | 29,640 |
| 4. | Technical Representatives (Man years of service) | (7) | (13) | - | 100,000 | 160,000 | - |
| 5. | Training Aids | - | - | - | 538,001 | 128,789 | 27,220 |
| 6. | Miscellaneous Fund | - | - | - | 4,870 | 5,898 | - |
| 7. | Interpreters | - | - | - | - | - | - |
| 8. | Training Expenses of Mission (T) (Man Years) | (55) | (60) | (70) | 140,293 | 324,200 | 414,640 |
| | Total | 23 | 544 | 335 | $1,315,882 | $967,045 | $837,520 |
| | **Dept. of the Air Force** | | | | | | |
| | CATEGORY | | | | | | |
| 1. | Formal Training ZI | 237 | 449 | 466 | $664,960 | $6,737,007 | $8,841,200 |
| 2. | Formal Training O/S | 101 | 49 | 141 | 61,835 | 318,100 | 567,200 |
| 3. | Mobile Training Teams (No. of Teams) | (10) | (12) | (14) | 190,054 | 209,150 | 223,190 |
| 4. | Technical Representatives | (42) | (54) | (34) | 393,740 | 932,089 | 749,400 |
| 5. | Training Aids | - | - | - | - | - | - |
| 6. | Miscellaneous Fund | - | - | - | 20,385 | 78,070 | 33,500 |
| 7. | Interpreters | - | - | - | - | - | - |
| 8. | Training Expenses of Mission (T) (Man Years) | (111) | (137) | (113) | 410,295 | 590,200 | 814,400 |
| | Total | 338 | 498 | 607 | $1,741,269 | $8,864,616 | $11,228,890 |
| | GRAND TOTAL | 1,034 | 1,671 | 3,010 | $4,041,929 | $15,146,903 | $22,366,180 |

MUTUAL DEFENSE ASSISTANCE MATERIEL AND TRAINING

ASIA AND THE PACIFIC

MATERIEL - COMPARATIVE SUMMARY OF OBLIGATIONS BY MAJOR CATEGORY

| | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Aircraft, Spare Parts, Aero Equipt & Supplies | $74,994,741 | $22,441,018 | $163,566,878 |
| Vessels | 23,956,848 | 41,950,795 | 32,443,402 |
| Vessel Equipment | 4,994,639 | 6,493,428 | 5,159,845 |
| Electronics and Other Signal Equipment | 40,557,511 | 37,406,923 | 167,819,255 |
| Ordnance Equipment and Supplies | 520,425,357 | 139,164,609 | 740,974,380 |
| Engineering Equipment and Supplies | 5,853,910 | 19,076,909 | 30,386,421 |
| Quartermaster Equipment and Supplies | 2,572,650 | 259,863 | 307,214 |
| Transportation Equipment and Supplies | 9,525,715 | 3,748,454 | 9,595,947 |
| Medical Equipment and Supplies | 3,449,745 | 241,589 | 531,243 |
| P.O.L. | 2,720 | 470,219 | - |
| Other and Miscellaneous | 668,256 | 16,710,670 | 12,130,118 |
| Sub-total | 687,002,092 | 287,964,477 | 1,162,914,703 |
| Repair and Rehabilitation of Excess Materiel | 9,405,451 | (403,831) | 7,733,815 |
| Total Materiel | 696,407,543 | 287,560,646 | 1,170,648,518 |
| Accessorial Costs | 25,823,345 | 38,274,550 | 60,003,000 |
| Total Military Assistance Materiel | 722,230,888 | 325,835,196 | 1,230,651,518 |
| COMMON USE PROGRAM: | - | - | 60,000,000 |
| Grand Total, Materiel Program | 722,230,888 | 325,835,196 | 1,290,651,518 |

DEPARTMENT OF THE ARMY
ASIA AND THE PACIFIC
SUMMARY BY AGENCY - MATERIEL PROGRAM - COMPARATIVE ESTIMATES

| CATEGORY | Obligations Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| ELECTRONICS & COMM. SUPPLIES & EQUIP | $ 31,140,616 | $ 21,400,000 | $149,646,225 |
| ORDNANCE EQUIPMENT & SUPPLIES | 440,845,722 | 108,300,000 | 639,969,395 |
| Tanks & Combat Vehicles | 53,934,796 | 11,600,000 | 101,891,232 |
| Motor Transport Vehicles | 68,878,140 | 12,600,000 | 116,296,740 |
| Small Arms & Machine Guns | 19,780,105 | 2,800,000 | 21,008,409 |
| Artillery & Fire Control | 31,231,929 | 4,400,000 | 19,354,325 |
| Small Arms and MG Ammunition | 63,482,425 | 17,100,000 | 38,255,039 |
| Artillery Ammunition | 172,184,627 | 48,800,000 | 331,816,025 |
| Bombs, Rockets & Misc. Ammunition | 29,651,077 | 2,900,000 | 9,247,625 |
| Miscellaneous Ordnance | 1,702,623 | 8,100,000 | 2,100,000 |
| Aircraft & Aeronautical Sup | - | - | - |
| ENGINEERING EQUIPMENT & SUPPLIES | 5,538,532 | 18,400,000 | 29,515,813 |
| QUARTERMASTER EQUIPMENT & SUPPLIES | 2,189,971 | 200,000 | 300,000 |
| TRANSPORTATION EQUIPMENT & SUPPLIES | 161,111 | (200,000) | - |
| MEDICAL EQUIPMENT & SUPPLIES | 3,410,357 | 200,000 | 500,000 |
| CHEMICAL EQUIPMENT & SUPPLIES | 668,256 | 400,000 | 568,567 |
| TRAINING AIDS | - | - | 700,000 |
| ADJUTANT GENERAL SUPPLIES | - | - | 300,000 |
| PREPRODUCTION COSTS | - | - | 2,000,000 |
| OSP EXPENSES | - | - | - |
| SUB-TOTAL (MATERIEL) | 483,954,565 | 148,700,000 | 823,500,000 |
| REPAIR & REHAB OF EXCESS | 2,638,579 | (1,300,000) | 1,400,000 |
| TOTAL - MATERIEL & REPAIR & REHAB OF EXCESS | 486,593,144 | 147,400,000 | 824,900,000 |
| ACCESSORIAL COSTS | | | |
| Packing, Handling & Crating | 412,681 | 4,379,000 | 4,968,617 |
| Inland Transportation | 3,653,998 | 9,575,000 | 14,012,553 |
| Ocean Transportation | 8,951,556 | 14,903,000 | 21,018,830 |
| TOTAL ACCESSORIAL COSTS | 13,018,235 | 28,857,000 | 40,000,000 |
| TOTAL MILITARY MATERIEL | 499,611,379 | 176,257,000 | 864,900,000 |
| COMMON USE PROGRAM | 13,267,000 | 61,000,000 | 60,000,000 |
| GRAND TOTAL | 512,878,379 | 237,257,000 | 924,900,000 |
| ACQUISITION COST OF EXCESS ITEMS (Not included in total materiel estimate) | 41,146,117 | 92,497 | - |

DEPARTMENT OF THE NAVY
ASIA AND PACIFIC
SUMMARY BY AGENCY - MATERIEL PROGRAM - COMPARATIVE ESTIMATES

| CATEGORY | Obligations Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| VESSELS | $ 23,956,848 | $ 41,950,795 | $ 32,443,402 |
| Combatant | - | - | - |
| Minecraft | - | 15,442,016 | 16,338,551 |
| Miscellaneous | 23,956,848 | 26,508,779 | 16,104,851 |
| VESSEL EQUIPMENT | 6,682,837 | 8,656,578 | 9,258,188 |
| Minesweeping Gear | 33,185 | 529,715 | 219,323 |
| Spare Parts | 4,018,895 | 4,782,115 | 3,359,938 |
| Electronics | 1,688,198 | 2,163,150 | 4,098,343 |
| Other Vessel Equipment | 942,559 | 1,181,598 | 1,580,584 |
| AIRCRAFT & AERONAUTICAL EQUIPMENT | - | 2,163,365 | 1,206,101 |
| Aircraft and Aircraft Spares | - | 1,368,509 | 220,584 |
| Other Aeronautical Equipment | - | 794,856 | 985,517 |
| ORDNANCE EQUIPMENT AND SUPPLIES | 8,397,779 | 16,975,126 | 13,284,147 |
| Naval Guns | 819,867 | 1,224,800 | 2,503,615 |
| Artillery Ammunition | 4,644,719 | 9,447,011 | 6,364,219 |
| Bombs and Rockets | 2,933,193 | 5,076,120 | 2,538,025 |
| Miscellaneous Ordnance | - | 1,227,195 | 1,878,288 |
| ENGINEERING EQUIPMENT AND SUPPLIES | 315,378 | 676,909 | 870,608 |
| QUARTERMASTER EQUIPMENT & SUPPLIES & NGS | 382,679 | 59,863 | 7,214 |
| Clothing & NGS | 382,679 | 59,863 | 7,214 |
| P.O.L. - Other than Aircraft | 2,720 | - | - |
| MEDICAL EQUIPMENT & SUPPLIES | 39,388 | 41,589 | 31,243 |
| MARINE CORPS EQUIPMENT & SUPPLIES | - | 16,229,603 | 6,218,894 |
| SUB-TOTAL (MATERIEL) | 39,777,629 | 86,753,828 | 63,319,797 |
| REPAIR & REHABILITATION OF EXCESS | - | 673,032 | 101,530 |
| TOTAL - MATERIEL & REPAIR & REHABILITATION OF EXCESS | 39,777,629 | 87,426,860 | 63,421,327 |
| ACCESSORIAL COSTS | | | |
| Packing, Handling, Crating & Direct Operating Expenses | 386,555 | 700,742 | 2,396,000 |
| Inland Transportation | 439,258 | 141,158 | 2,396,000 |
| Ocean Transportation | 1,244,610 | 758,100 | 1,198,000 |
| TOTAL ACCESSORIAL COSTS | 2,070,423 | 1,600,000 | 5,990,000 |
| GRAND TOTAL (MATERIEL) | $ 41,848,052 | $ 89,026,860 | $ 69,411,327 |
| ACQUISITION COST OF EXCESS ITEMS (Not included in total materiel estimate) | $ 397,201 | $ 1,761,372 | $ 301,692 |

DEPARTMENT OF THE AIR FORCE
**ASIA AND PACIFIC**
SUMMARY BY AGENCY - MATERIEL PROGRAM - COMPARATIVE ESTIMATES

| CATEGORY | Obligations Actual FY 1952 | Obligations Estimate FY 1953 | Obligations Estimate FY 1954 |
|---|---|---|---|
| Aircraft Complete with Spares | $ 74,994,741 | $20,277,653 | $162,360,777 |
| Electronics & Communications Equipment & Spares | 7,728,697 | 13,843,773 | 14,074,687 |
| Ground Powered & Marine Equipment & Spares | 9,364,604 | 3,948,454 | 9,595,947 |
| Weapons & Spares | 2,400,000 | 310,363 | 2,751,138 |
| General Equipment & Spares | 8,531,238 | 7,393,996 | 34,249,096 |
| Bombs, Rockets, & Miscellaneous Ammunition | 60,250,618 | 6,185,124 | 50,720,604 |
| POL for Aircraft | | 470,219 | |
| POL for other than Aircraft | | | |
| Training Equipment, Maintenance Parts & Supplies | | 81,067 | 2,342,657 |
| Sub-Total | $163,269,898 n | $52,510,649 n | $276,094,906 n |
| Repair & Rehab of Excess Materiel | 6,766,872 | 223,137 | 6,232,285 |
| Total End Items | $170,036,770 n | $52,733,786 n | $282,327,191 n |
| ACCESSORIAL CHARGES | | | |
| Inland Transportation | $ 1,352,633 | $ 1,966,232 | $ 2,965,000 |
| Ocean & Air Transportation | 1,010,872 | 3,696,440 | 5,096,000 |
| Depot Operations | 496,182 | 2,154,878 | 5,952,000 |
| Construction | 7,875,000 | | |
| TOTAL MATERIEL | $180,771,457 | $60,551,336 n | $296,340,191 n |

MUTUAL DEFENSE MATERIEL AND TRAINING

ASIA AND THE PACIFIC

TRAINING - COMPARATIVE SUMMARY OF OBLIGATIONS BY CATEGORY

| | Dept. of the Army | No. of Spaces | | | Cost to U. S. | | |
|---|---|---|---|---|---|---|---|
| | CATEGORY | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
| 1. | Formal Training ZI | 797 | 1,195 | 1,883 | $2,646,422 | $4,562,618 | $7,696,440 |
| 2. | Formal Training O/S | - | - | - | - | - | - |
| 3. | Mobile Training Teams (No. of Teams) | (2) | (3) | (27) | 104,370 | 144,688 | 680,040 |
| 4. | Technical Representatives (Man years of service) | - | (4) | (20) | - | 464,168 | 272,000 |
| 5. | Training Aids | - | - | - | 36,867 | - | - |
| 6. | Miscellaneous Funds | - | - | - | 53,240 | 100,000 | 155,100 |
| 7. | Interpreters | 2 | 10 | 1 | 10,000 | 50,000 | 5,000 |
| 8. | Training Expenses of Mission (T) (Man years) | (475) | (367) | (1,399) | 785,948 | 643,476 | 5,783,060 |
| | Total | 799 | 1,205 | 1,884 | 3,636,847 | 5,964,950 | 14,591,640 |
| | **Dept. of the Navy** | | | | | | |
| | CATEGORY | | | | | | |
| 1. | Formal Training ZI | 358 | 433 | 620 | 549,986 | 133,153 | 874,534 |
| 2. | Formal Training O/S | - | - | 220 | - | - | 5,500 |
| 3. | Mobile Training Teams (No. of Teams) | (13) | (94) | (11) | 25,616 | 112,533 | 30,529 |
| 4. | Technical Representatives (Man years of service) | - | - | - | - | - | - |
| 5. | Training Aids | - | - | - | 407,912 | 67,578 | 717,024 |
| 6. | Miscellaneous Fund | - | - | - | 29,800 | 1,600 | - |
| 7. | Interpreters | - | - | - | - | - | - |
| 8. | Training Expenses of Mission (T) (Man years) | - | (61) | (68) | - | 119,851 | 187,610 |
| | Total | 358 | 433 | 840 | 1,013,314 | 434,715 | 1,815,197 |
| | **Dept. of the Air Force** | | | | | | |
| | CATEGORY | | | | | | |
| 1. | Formal Training ZI | 436 | 559 | 415 | 1,152,520 | 3,211,114 | 2,679,600 |
| 2. | Formal Training O/S | - | - | 155 | - | - | - |
| 3. | Mobile Training Teams (No. of Teams) | (12) | (12) | (8) | 364,180 | 174,670 | 347,670 |
| 4. | Technical Representatives (Man years of service) | (4) | (32) | (26) | 52,050 | 474,580 | 440,700 |
| 5. | Training Aids | - | - | - | - | - | - |
| 6. | Miscellaneous Fund | - | - | - | 61.164 | 110.871 | 29,500 |
| 7. | Interpreters | - | - | - | - | - | - |
| 8. | Training Expenses of Mission (T) (Man years) | (97) | (140) | (108) | 16,645 | 219,500 | 763,600 |
| | One Line-Item (Ident. Classified) | - | - | - | - | - | 5,400,000 |
| | Total | 436 | 559 | 570 | 1,646,559 | 4,190,735 | 9,661,070 |
| | GRAND TOTAL | 1,593 | 2,197 | 3,294 | 6,296,720 | 10,590,400 | 26,067,907 |

MUTUAL DEFENSE MATERIEL AND TRAINING

COMPARATIVE SUMMARY OF OBLIGATIONS

| Activity | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Special Projects | | | |
| (a) Pakistan Wheat Loan | - | $15,000,000 | - |
| (b) Afghanistan Wheat Loan | - | 1,500,000 | - |
| (c) Transportation - Price Support Pakistan Wheat | - | 15,000,000 | - |
| (d) Miscellaneous | - | 750,000 | - |
| | | $32,250,000 | |

MUTUAL DEFENSE ASSISTANCE MATERIEL AND TRAINING

AMERICAN REPUBLICS

MATERIEL - COMPARATIVE SUMMARY OF OBLIGATIONS BY MAJOR CATEGORY

| | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Aircraft Spare Parts, Aero Equipment & Supplies | 575,639 | 2,833,654 | 10,478,132 |
| Vessels | - | - | 16,000 |
| Vessel Equipment | 983,499 | 904,770 | 2,925,509 |
| Electronics and Other Signal Equipment | 4,232,084 | 2,019,075 | 5,514,555 |
| Ordnance Equipment and Supplies | 20,104,858 | (1,114,573) | 34,960,931 |
| Engineering Equipment and Supplies | 58,536 | 440,000 | 738,165 |
| Quartermaster Equipment and Supplies | 6,192 | 54,619 | 20,441 |
| Transportation Equipment and Supplies | - | 799,191 | 154,657 |
| Medical Equipment and Supplies | - | - | - |
| POL | - | - | - |
| Other and Miscellaneous | - | 68,154 | 463,901 |
| Subtotal | 25,960,808 | 6,004,890 | 55,272,291 |
| Repair and Rehabilitation of Excess Materiel | 1,610,000 | 2,790,092 | 1,800,876 |
| Total Materiel | 27,570,808 | 8,794,982 | 57,073,167 |
| Accessorial Costs | 31,344 | 1,014,017 | 3,967,662 |
| GRAND TOTAL MATERIEL | 27,602,152 | 9,808,999 | 61,040,829 |
| Acquisition Cost of Excess Items | 50,352,000 | 5,115,415 | - |

DEPARTMENT OF THE ARMY
AMERICAN REPUBLICS
SUMMARY BY AGENCY - MATERIEL PROGRAM - COMPARATIVE ESTIMATES

| CATEGORY | Obligations Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| ELECTRONICS & COMM. SUPPLIES & EQUIP | $ 1,077,682 | $ 1,800,000 | $ 1,739,964 |
| ORDNANCE EQUIPMENT & SUPPLIES | 17,474,061 | (4,400,000) | 30,491,632 |
| Tanks & Combat Vehicles | 2,434,006 | (100,000) | 5,615,740 |
| Motor Transport Vehicles | 5,504,790 | (3,700,000) | 6,183,787 |
| Small Arms & Machine Guns | 1,262,048 | (1,000,000) | 725,886 |
| Artillery & Fire Control | 4,255,498 | (900,000) | 8,158,250 |
| Small Arms & MG Ammunition | 809,096 | 500,000 | 1,300,000 |
| Artillery Ammunition | 3,025,836 | 700,000 | 7,607,969 |
| Bombs, Rockets & Misc. Ammunition | 145,028 | 100,000 | 800,000 |
| Miscellaneous Ordnance | 37,759 | - | 100,000 |
| Aircraft & Aeronautical Sup | - | - | - |
| ENGINEERING EQUIPMENT & SUPPLIES | 58,536 | 300,000 | 468,404 |
| QUARTERMASTER EQUIPMENT & SUPPLIES | - | - | - |
| TRANSPORTATION EQUIPMENT & SUPPLIES | - | - | - |
| MEDICAL EQUIPMENT & SUPPLIES | - | - | - |
| CHEMICAL EQUIPMENT & SUPPLIES | - | - | - |
| TRAINING AIDS | - | - | 300,000 |
| ADJUTANT GENERAL SUPPLIES | - | - | - |
| PREPRODUCTION COSTS | - | - | - |
| OSP EXPENSES | - | - | - |
| SUB-TOTAL (MATERIEL) | 18,610,279 | (2,300,000) | 33,000,000 |
| REPAIR & REHAB OF EXCESS | - | 300,000 | 300,000 |
| TOTAL - MATERIEL & REPAIR & REHABILITATION OF EXCESS | 18,610,279 | (2,000,000) | 33,300,000 |
| ACCESSORIAL COSTS | | | |
| Packing, Handling & Crating | 205 | 344,000 | 337,354 |
| Inland Transportation | 6,044 | 80,000 | 362,610 |
| Ocean Transportation | - | 197,000 | 597,588 |
| TOTAL ACCESSORIAL COSTS | 6,249 | 621,000 | 1,297,552 |
| GRAND TOTAL - MATERIEL | 18,616,528 | (1,379,000) | 34,597,552 |
| ACQUISITION COST OF EXCESS ITEMS (Not included in total materiel estimate) | - | 2,681,215 | - |

DEPARTMENT OF THE NAVY
AMERICAN REPUBLICS
SUMMARY BY AGENCY - MATERIEL PROGRAM - COMPARATIVE ESTIMATES

| CATEGORY | Obligations Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| VESSELS - Miscellaneous | $ - | $ - | $ 16,000 |
| VESSEL EQUIPMENT | 3,950,712 | 990,196 | 4,055,259 |
| Spare Parts | 797,814 | 287,188 | 938,906 |
| Electronics | 2,967,213 | 85,426 | 1,129,750 |
| Other Vessel Equipment | 185,685 | 617,582 | 1,986,603 |
| AIRCRAFT & AERONAUTICAL EQUIPMENT | - | 67,000 | 375,835 |
| Aircraft and Aircraft Spares | - | - | 228,275 |
| Other aeronautical equipment | - | 67,000 | 147,560 |
| ORDNANCE EQUIPMENT AND SUPPLIES | 2,533,096 | 2,013,696 | 2,834,563 |
| Naval Guns | 474,410 | 521,236 | 785,620 |
| Artillery Ammunition | 463,656 | 252,909 | 811,248 |
| Bombs and Rockets | 310,506 | 885,610 | 363,976 |
| Miscellaneous Ordnance | 1,284,524 | 353,941 | 873,719 |
| ENGINEERING EQUIPMENT AND SUPPLIES | - | 140,000 | 269,761 |
| QUARTERMASTER EQUIPMENT & SUPPLIES & NGS | 6,192 | 54,619 | 20,441 |
| Clothing & NGS | 6,192 | 54,619 | 20,441 |
| P.O.L. | - | - | - |
| MEDICAL EQUIPMENT & SUPPLIES | - | - | - |
| MARINE CORPS EQUIPMENT & SUPPLIES | - | - | - |
| SUB-TOTAL (MATERIEL) | $ 6,490,000 | $ 3,265,511 | $ 7,571,859 |
| REPAIR & REHABILITATION OF EXCESS | - | - | - |
| TOTAL - MATERIEL & REPAIR & REHABILITATION OF EXCESS | 6,490,000 | 3,265,511 | 7,571,859 |
| ACCESSORIAL COSTS | | | |
| Packing, Handling, Crating & Direct Operating Expenses | - | 95,500 | 356,000 |
| Inland Transportation | - | 21,000 | 356,000 |
| Ocean Transportation | - | 13,500 | 178,000 |
| TOTAL ACCESSORIAL COSTS | - | 130,000 | 890,000 |
| GRAND TOTAL (MATERIEL) | $ 6,490,000 | $ 3,395,511 | $ 8,461,859 |
| ACQUISITION COST OF EXCESS ITEMS (Not included in total materiel estimate) | $ 50,352,000 | $ 2,434,200 | $ - |

DEPARTMENT OF THE AIR FORCE
AMERICAN REPUBLICS
SUMMARY BY AGENCY - MATERIEL PROGRAM - COMPARATIVE ESTIMATES

| CATEGORY | Obligations Actual FY 1952 | Obligations Estimate FY 1953 | Obligations Estimate FY 1954 |
|---|---|---|---|
| Aircraft Complete with Spares | $ 575,639 | $ 2,766,654 | $ 10,102,297 |
| Electronics & Communications Equipment & Spares | 187,189 | 133,649 | 2,644,841 |
| Ground Powered & Marine Equipment & Spares | | 799,191 | 154,657 |
| Weapons & Spares | | 153,562 | 188,857 |
| General Equipment & Spares | 97,701 | 890,482 | 582,157 |
| Bombs, Rockets & Miscellaneous Ammunition | | 227,687 | 863,722 |
| POL for Aircraft | | | |
| Training Equipment, Maintenance Parts & Supplies | | 68,154 | 163,901 |
| Sub-Total | $ 860,529 | $ 5,039,379 | $ 14,700,432 |
| Repair & Rehab of Excess Materiel | 1,610,000 | 2,490,092 | 1,500,876 |
| Total End Items | $2,470,529 | $ 7,529,471 | $ 16,201,308 |
| ACCESSORIAL CHARGES | | | |
| Inland Transportation | 15,000 | 23,112 | 139,000 |
| Ocean & Air Transportation | | 140,000 | 290,000 |
| Depot Operations | 10,095 | 99,905 | 1,351,110 |
| TOTAL MATERIEL | $2,495,624 | $ 7,792,488 | $ 17,981,418 |

MUTUAL DEFENSE MATERIEL AND TRAINING
AMERICAN REPUBLICS
TRAINING-COMPARATIVE SUMMARY OF OBLIGATIONS BY CATEGORY

**Dept. of the Army**

| CATEGORY | No. of Spaces Actual FY 1952 | No. of Spaces Estimate FY 1953 | No. of Spaces Estimate FY 1954 | Cost to U.S. Actual FY 1952 | Cost to U.S. Estimate FY 1953 | Cost to U.S. Estimate FY 1954 |
|---|---|---|---|---|---|---|
| 1. Formal Training ZI | - | - | - | $ - | $ - | $ - |
| 2. Formal Training O/S | - | - | 360 | - | - | 150,000 |
| 3. Mobile Training Teams (No. of Teams) | (-) | (11) | ( 9) | - | 41,800 | 233,670 |
| 4. Technical Representatives (Man years of service) | (-) | (- ) | (- ) | - | - | - |
| 5. Training Aids | - | - | - | - | - | - |
| 6. Miscellaneous Fund | - | - | - | - | - | - |
| 7. Interpreters | - | - | - | - | - | - |
| 8. Training Expenses of Mission (T)(Man years) | - | - | - | - | - | - |
| Total | - | - | 360 | $ - | $ 41,800 | $ 383,670 |

**Dept. of the Navy**

| CATEGORY | | | | | | |
|---|---|---|---|---|---|---|
| 1. Formal Training ZI | - | - | - | $ - | $ 21,000 | $ 9,000 |
| 2. Formal Training O/S | - | - | - | - | - | - |
| 3. Mobile Training Teams (No. of Teams) | (-) | ( 3) | (52) | - | 122,469 | 139,841 |
| 4. Technical Representatives (Man years of service) | (-) | (- ) | (- ) | - | - | - |
| 5. Training Aids | - | - | - | - | 1,465,509 | 3,716,113 |
| 6. Miscellaneous Fund | - | 10 | 30 | - | 161,567 | 374,977 |
| 7. Interpreters | - | - | - | - | - | - |
| 8. Training Expenses of Mission (T)(Man years) | - | - | - | - | - | - |
| Total | - | 10 | 30 | $ - | $1,770,545 | $4,239,931 |

**Dept. of the Air Force**

| CATEGORY | | | | | | |
|---|---|---|---|---|---|---|
| 1. Formal Training ZI | - | - | - | $ - | $ - | $ - |
| 2. Formal Training O/S | - | - | - | - | - | - |
| 3. Mobile Training Teams (No. of Teams) | (-) | ( 5) | (32) | - | 36,650 | 401,250 |
| 4. Technical Representatives (Man years of service) | (-) | (- ) | ( 3) | - | - | 71,500 |
| 5. Training Aids | - | - | - | - | - | - |
| 6. Miscellaneous Fund | - | - | - | - | - | - |
| 7. Interpreters | - | - | - | - | - | - |
| 8. Training Expenses of Mission (T)(Man years) | - | - | - | - | - | - |
| S<br>L | | | | | | |
| Total | - | - | - | - | 36,650 | 472,750 |
| GRAND TOTAL | - | 10 | 390 | $ - | $1,848,995 | $5,096,351 |

## CHAPTER II - MUTUAL DEFENSE FINANCING

### COMPARATIVE SUMMARY OF OBLIGATIONS BY ACTIVITY

| | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Defense Support and Economic Aid | | | |
| (a) Europe | | | |
| 1. Country Aid | 1,436,481,342 | 1,310,137,580 | 307,500,000 |
| 2. Spain | 35,488,011 | 9,762,000 | 85,049,929 |
| 3. Technical Assistance | 16,379,064 | 26,367,581 | 23,000,000 |
| 4. Information | 9,662,006 | 9,113,787 | 7,600,000 |
| 5. European Payments Union, U.S. Contribution | 11,395,000 | 227,000 | --- |
| 6. European Cooperative Bank | --- | --- | 5,000,000 |
| 7. Unprogrammed | --- | --- | 2,600,000 |
| Sub-Total - Europe | (1,509,405,423) | (1,355,607,948) | (430,749,929) |
| (b) Asia and the Pacific | | | |
| 1. Country Aid | 91,453,488 | 99,225,712 | 95,000,000 |
| Defense NATO Financing | --- | --- | 200,000,000 |
| Defense Financing for Indochina | --- | --- | 400,000,000 |
| Total direct obligations | 1,600,858,911 | 1,454,833,660 | 1,125,749,929 |
| Add Reimbursable Obligations | --- | 7,168,700 | --- |
| Total Obligations | 1,600,858,911 | 1,462,002,360 | 1,125,749,929 |
| Deduct Unprogrammed "Savings" Included in Carryover from 1953 | -9,978,573 | | |
| Deduct Programmed Balance Included in Carryover from 1953 | -123,549,929 | | |
| Total Carryover from 1953 | | | -133,528,502 |
| TOTAL APPROPRIATION REQUEST MUTUAL DEFENSE FINANCING | | | 992,221,427 |

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## MUTUAL DEFENSE FINANCING

### SUMMARY BY COUNTRIES

| Country | Obligations Actual FY 1952 | Actual FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| THE NATO COUNTRIES | | | |
| Belgium-Luxembourg | 9.0 | 1.0 | — |
| Denmark | 14.0 | 7.5 | — |
| France | 223.9 | 354.7 | 100.0 |
| Iceland | 5.5 | 5.5 | — |
| Italy (Inc. Trieste) | 158.9 | 103.2 | 57.5 |
| Netherlands | 100.0 | 2.9 | -- |
| Norway | 16.9 | 21.2 | — |
| Portugal | -- | -0.7 | -- |
| United Kingdom | 350.1 | 409.0 | 200.0 |
| TOTAL TEN NATO COUNTRIES | 878.3 | 904.3 | 357.5 |
| Germany (Federal Republic) | 91.7 | 83.6 | 15.0 |
| TOTAL TEN NATO COUNTRIES & GERMANY | 970.0 | 987.9 | 372.5 |
| Greece | 178.6 | 79.6 | 20.0 |
| Turkey | 68.6 | 56.4 | 50.0 |
| TOTAL ALL NATO COUNTRIES & GERMANY | 1,217.2 | 1,123.9 | 442.5 |
| Austria | 116.0 | 49.4 | 20.0 |
| Yugoslavia | 81.1 | 121.8 | 45.0 |
| Sweden | -11.3 | -0.2 | -- |
| Spain | 35.5 | 9.8 | 85.0 |
| Formosa | 66.9 | 75.1 | 70.0 |
| Indochina | 24.6 | 24.1 | 25.0 |
| Defense Financing for Indochina | -- | -- | 400.0 |
| Country Distribution | 1,530.0 | 1,403.9 | 1,087.5 |
| Undistributed by Country | 70.9 | 58.1 | 38.2 |
| TOTAL OBLIGATIONS | 1,600.9 | 1,462.0 | 1,125.7 |

TECHNICAL ASSISTANCE

EUROPE

COMPARATIVE OBLIGATIONS BY FIELD OF ACTIVITY

| Field of Activity | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Industrial Production and Labor Relations (Including Military) | $ 9,227,467 | $12,069,600* | $ 9,750,000 |
| Agricultural Production | 2,639,400 | 7,248,200 | 6,400,000 |
| Improvement of Distribution and Encouragement of Competitive Enterprise | 260,600 | 680,600 | 540,000 |
| Improvement of Transportation and Communications | 645,400 | 1,408,000 | 940,000 |
| Government Administration and Finance | 549,700 | 800,000 | 550,000 |
| Operation Costs | 5,436,807 | 7,797,181 | 7,100,000 |
| TOTAL OBLIGATIONS | 18,759,374 | 30,003,581 | 25,280,000 |
| Credits from Deobligations Prior Year Funds | -2,439,000 | -3,636,000 | -2,280,000 |
| Net Fund Requirements | $16,320,374 | $26,367,581 | $23,000,000 |

*Includes $2,500,000 transferred to OEEC for European Productivity Agency.

INFORMATION PROGRAM

EUROPE

COMPARATIVE OBLIGATIONS BY ACTIVITY

| Activity | Actual FY 1952 | Estimate. FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Project Distribution by Target | | | |
| Projects | | | |
| Technical Assistance and Productivity | $ 4,160,200 | $ 3,175,200 | $ 2,800,000 |
| Labor (Strengthening of Free Trade Unions and Gaining Labor Participation) | 1,910,300 | 2,649,900 | 2,279,000 |
| Economic Aid | 1,039,900 | 873,300 | 621,000 |
| Total Projects | 7,110,400 | 6,698,400 | 5,700,000 |
| Staff and Overhead | 2,551,606 | 2,415,387 | 1,900,000 |
| TOTAL | 9,662,006 | 9,113,787 | 7,600,000 |
| Project Distribution by Media | | | |
| Projects | | | |
| Publications | 2,773,056 | 2,679,300 | 1,913,400 |
| Exhibits | 1,493,189 | 1,339,700 | 1,208,800 |
| Films | 1,635,392 | 1,540,600 | 1,427,400 |
| Radio | 604,533 | 602,900 | 486,300 |
| Press and Photo | 568,830 | 498,700 | 574,400 |
| Surveys and Analyses | 35,400 | 37,200 | 89,700 |
| Total Projects | 7,110,400 | 6,698,400 | 5,700,000 |
| Staff and Overhead | 2,551,606 | 2,415,387 | 1,900,000 |
| TOTAL | 9,662,006 | 9,113,787 | 7,600,000 |

## CHAPTER III - MUTUAL SPECIAL WEAPONS PLANNING

### COMPARATIVE SUMMARY OF OBLIGATIONS

| | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Special Weapons Planning | - | - | 100,000,000 |

## CHAPTER IV. MUTUAL DEVELOPMENT AND TECHNICAL PROGRESS
## COMPARATIVE SUMMARY OF OBLIGATIONS BY ACTIVITY

| Activity | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| A. Technical Progress and Development | | | |
| (a) Near East and Africa | 37,775,544 | 51,142,166 | 43,792,500 |
| (b) Asia and the Pacific | 124,874,632 | 94,087,699 | 72,100,000 |
| (c) American Republics | 17,788,340 | 21,595,465 | 24,342,000 |
| Total Direct Obligations Technical Progress and Development Programs | 180,438,516 | 166,825,330 | 140,234,500 |
| Deduct carry-over from 1953 | - | - | - 1,871,000 |
| Deobligation of 1951, 1952, and 1953 programs for Burma in FY 1954 | | | -10,000,000 |
| Appropriation Request for A | | | 128,363,500 |
| B. Basic Materials Development | | | |
| Total Direct Obligations | 79,183,472 | 33,096,806 | 40,000,000 |
| Deduct carry-over from 1953 | - | - | - |
| Appropriation Request for B | | | 40,000,000 |
| C. Special Economic Assistance in Near East and Africa | | | |
| (a) Arab States, Israel and Iran | 64,764,087 | 70,228,000 | 140,000,000 |
| (b) Palestine Refugee Program | 50,000,000 | 16,000,000 | 44,063,250 |
| (c) Dependent Overseas Territories in Africa | - | - | 24,000,000 |
| Total Direct Obligations | 114,764,087 | 86,228,000 | 208,063,250 |
| Deduct carry-over from 1953 | | | -44,063,250 |
| Appropriation Request for C | | | 164,000,000 |
| D. Special Economic Assistance for India and Pakistan | | | |
| Total Direct Obligations | - | - | 94,400,000 |
| Deduct carry-over from 1953 | | | - - - |
| Appropriation Request for D | | | 94,400,000 |
| Recapitulation - Chapter IV | | | |
| Total Direct Obligations | 374,386,075 | 286,150,136 | 482.697,750 |
| Deduct carry-over from 1953 | | | -45,934,250 |
| Deobligation of 1951,1952,and 1953 programs, Burma in FY 1954 | | | -10,000,000 |
| TOTAL APPROPRIATION REQUEST FOR MUTUAL DEVELOPMENT AND TECHNICAL PROGRESS | | | 426,763,500 |

A - TECHNICAL PROGRESS AND DEVELOPMENT
NEAR EAST AND AFRICA
COMPARATIVE SUMMARY OF OBLIGATIONS BY COUNTRY

(In thousands of dollars)

| Country | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| EGYPT | 326 | 12,872 | 11,876 |
| ETHIOPIA | 1,072 | 1,384 | 1,631 |
| IRAN | 23,763 | 23,124 | 13,907 |
| IRAQ | 359 | 1,870 | 2,237 |
| ISRAEL | 835 | 2,470 | 1,521 |
| JORDAN | 3,437 | 2,695 | 2,258 |
| LEBANON | 3,397 | 725 | 2,852 |
| LIBERIA | 773 | 1,564 | 1,284 |
| LIBYA | 1,473 | 1,158 | 1,534 |
| SAUDI ARABIA | 171 | 1,670 | 742 |
| SYRIA | --- | --- | 2,937 |
| REGIONAL | 2,170 | 1,610 | 1,014 |
| TOTAL OBLIGATIONS | 37,776 | 51,142 | 43,793 |

A - TECHNICAL PROGRESS AND DEVELOPMENT
NEAR EAST AND AFRICA
COMPARATIVE SUMMARY OF OBLIGATIONS BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Major Project Category | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| 1. Agriculture, Forestry and Fisheries | 9,416 | 8,309 | 12,356 |
| 2. Health and Sanitation | 10,392 | 9,082 | 7,239 |
| 3. Education | 4,506 | 4,833 | 5,268 |
| 4. Natural Resources | 4,344 | 3,618 | 5,624 |
| 5. Industry, Trade and Labor | 4,410 | 4,107 | 2,629 |
| 6. Transportation and Communications | 2,071 | 2,142 | 1,396 |
| 7. Public Administration (including Public Finance, Census and Weather) | 397 | 1,857 | 1,230 |
| 8. General Projects | 1,325 | 16,203 | 7,191 |
| 9. Domestic Program Costs | 915 | 991 | 860 |
| Total Obligations | 37,776 | 51,142 | 43,793 |

TECHNICAL PROGRESS AND DEVELOPMENT
NEAR EAST AND AFRICA
FISCAL YEAR 1954 ESTIMATE
SUMMARY BY COUNTRY AND MAJOR COST COMPONENTS

(In thousands of dollars)

| Country | Total | Supplies & Equipment | Local Costs | Services | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | | No of Persons | Cost | No of Persons | Cost |
| EGYPT | 11,876 | 4,883 | 4,622 | 2,371 | 153 | 1,790 | 192 | 581 |
| ETHIOPIA | 1,631 | 456 | 154 | 1,021 | 76 | 962 | 21 | 59 |
| IRAN | 13,907 | 3,079 | 7,251 | 3,577 | 255 | 3,064 | 96 | 513 |
| IRAQ | 2,237 | 361 | 475 | 1,401 | 104 | 1,179 | 51 | 222 |
| ISRAEL | 1,521 | 446 | 14 | 1,061 | 72 | 845 | 60 | 216 |
| JORDAN | 2,258 | 625 | 636 | 997 | 69 | 822 | 41 | 175 |
| LEBANON | 2,852 | 813 | 915 | 1,124 | 70 | 843 | 52 | 281 |
| LIBERIA | 1,284 | 99 | 266 | 919 | 81 | 895 | 6 | 24 |
| LIBYA | 1,534 | 421 | 478 | 635 | 51 | 564 | 26 | 71 |
| SAUDI ARABIA | 742 | — | 7 | 735 | 31 | 593 | 33 | 142 |
| SYRIA | 2,937 | 850 | 1,248 | 839 | 42 | 471 | 69 | 368 |
| REGIONAL | 1,014 | 250 | 436 | 328 | 26 | 314 | — | 14 |
| TOTAL | 43,793 | 12,283 | 16,502 | 15,008 | 1,030 | 12,342 | 647 | 2,666 |

TECHNICAL PROGRESS AND DEVELOPMENT
ASIA AND THE PACIFIC
FISCAL YEAR 1954

SUMMARY OF ESTIMATED DOLLAR COST OF PROGRAM BY COUNTRY AND MAJOR COST COMPONENTS

(In thousands of dollars)

| Country | Total | Supplies & Equipment | Total Service Cost | U.S. Technicians No. of Persons | U.S. Technicians Cost | Trainees No. of Persons | Trainees Cost |
|---|---|---|---|---|---|---|---|
| Afghanistan | 1,400.0 | 430.6 | 969.4 | 51 | 663.4 | 55 | 306.0 |
| India | 30,100.0 | 24,697.0 | 5,403.0 | 245 | 4,719.0 | 123 | 684.0 |
| Indonesia | 4,000.0 | 1,308.0 | 2,692.0 | 137 | 1,630.0 | 191 | 1,062.0 |
| Nepal | 600.0 | 311.4 | 288.6 | 25 | 181.6 | 40 | 107.0 |
| Pakistan | 13,000.0 | 7,937.0 | 5,063.0 | 163 | 4,507.0 | 100 | 556.0 |
| Philippines | 17,000.0 | 13,494.0 | 3,506.0 | 194 | 2,971.0 | 164 | 535.0 |
| Thailand | 5,000.0 | 3,185.0 | 1,815.0 | 83 | 1,255.0 | 112 | 560.0 |
| TOTAL COUNTRY OBLIGATIONS | 71,100.0 | 51,363.0 | 19,737.0 | 898 | 15,927.0 | 785 | 3,810.0 |
| Dependent Overseas Terr. | 1,000.0 | 860.0 | 140.0 | 10 | 120.0 | 10 | 20.0 |
| Total Obligations | 72,100.0 | 52,223.0 | 19,877.0 | 908 | 16,047.0 | 795 | 3,830.0 |

COMPARATIVE SUMMARY OF OBLIGATIONS BY COUNTRY

(In thousands of dollars)

| Country | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Technical Cooperation | | | |
| Afghanistan | 253.7 | 663.3 | 1,400.0 |
| Burma | 13,674.3 1/ | 6,935.6 | - |
| Ceylon | 10.9 | - | - |
| India | 52,707.7 | 43,841.5 | 30,100.0 |
| Indonesia | 8,063.7 1/ | 3,728.6 | 4,000.0 |
| Nepal | 201.5 | 428.4 | 600.0 |
| Pakistan | 10,600.7 | 11,795.8 | 13,000.0 |
| Regional | 155.6 | 167.3 | - |
| Philippines | 32,104.0 | 20,125.0 | 17,000.0 |
| Thailand | 7,097.0 | 6,325.0 | 5,000.0 |
| Total Country Obligations | 124,869.1 1/ | 94,010.5 | 71,100.0 |
| Dependent Overseas Territories | 5.5 | 77.2 | 1,000.0 |
| Total Obligations | 124,874.6 | 94,087.7 | 72,100.0 |

1/ Excludes $2,402,100 of FY51 obligations in Burma and Indonesia transferred from MSA to TCA on June 30, 1952.

TECHNICAL PROGRESS AND DEVELOPMENT
ASIA AND THE PACIFIC

COMPARATIVE SUMMARY OF OBLIGATIONS BY MAJOR PROJECT CATEGORY

(In Thousands of Dollars)

| | Major Project Category | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|---|
| 1. | Agriculture, Forestry and Fisheries | 50,864.7 | 39,448.4 | 21,931.0 |
| 2. | Health and Sanitation | 13,130.3 | 14,218.7 | 6,670.8 |
| 3. | Education | 5,169.6 | 6,535.3 | 9,960.0 |
| 4. | Natural Resources | 9,440.7 | 7,600.5 | 9,587.2 |
| 5. | Industry, Trade, Labor | 22,058.9 | 14,027.0 | 5,094.0 |
| 6. | Transportation, Communication | 9,254.5 | 6,656.0 | 2,574.0 |
| 7. | Public Administration (including public finance, census and weather) | 1,847.0 | 962.0 | 1,315.0 |
| 8. | General Projects | 12,724.0 | 3,845.4 | 14,283.0 |
| 9. | Domestic Program Costs | 384.9 | 794.4 | 685.0 |
| | Total Obligations | 124,874.6 1/ | 94,087.7 | 72,100.0 |

1/ Excludes $2,402,100 of FY '51 obligations in Burma and Indonesia transferred from MSA to TCA on June 30, 1952.

## A. TECHNICAL PROGRESS AND DEVELOPMENT

### AMERICAN REPUBLICS

### COMPARATIVE SUMMARY OF OBLIGATIONS BY COUNTRY
(In Thousands of Dollars)

| Country | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Bolivia | 1432.0 | 1528.1 | 1525.1 |
| Brazil | 2645.6 | 3704.2 | 3771.7 |
| Chile | 1069.3 | 1313.3 | 1777.7 |
| Colombia | 721.8 | 1004.3 | 1788.1 |
| Costa Rica | 1291.4 | 877.1 | 1133.4 |
| Cuba | 153.5 | 257.2 | 257.5 |
| Dominican Republic | 212.5 | 360.0 | 546.5 |
| Ecuador | 1279.0 | 1407.0 | 1399.6 |
| El Salvador | 448.5 | 768.3 | 799.0 |
| Guatemala | 211.8 | 216.5 | 215.9 |
| Haiti | 640.0 | 669.6 | 841.7 |
| Honduras | 645.4 | 819.3 | 1008.4 |
| Mexico | 729.2 | 825.1 | 1320.7 |
| Nicaragua | 598.7 | 823.3 | 699.3 |
| Panama | 1311.1 | 987.1 | 1272.1 |
| Paraguay | 1168.3 | 1755.9 | 1584.4 |
| Peru | 1767.4 | 2069.9 | 2140.7 |
| Uruguay | 374.0 | 391.8 | 538.4 |
| Venezuela | 134.7 | 187.9 | 192.0 |
| Regional Projects | 884.2 | 1605.6 | 1283.7 |
| Dependent Overseas Territories | 69.9 | 24.0 | 246.1 |
| Total Obligations | 17,788.3 | 21,595.5 | 24,342.0 |

## A. TECHNICAL PROGRESS AND DEVELOPMENT

### AMERICAN REPUBLICS

### COMPARATIVE SUMMARY OF OBLIGATIONS BY MAJOR PROJECT CATEGORY
(In thousands of dollars)

| Major Project Category | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| 1. Agriculture, Forestry and Fisheries | 7125.1 | 7556.7 | 8360.4 |
| 2. Health and Sanitation | 4963.4 | 5554.0 | 6288.9 |
| 3. Education | 2706.4 | 2900.5 | 3265.2 |
| 4. Natural Resources | 580.5 | 792.2 | 1044.8 |
| 5. Industry, Trade and Labor | 250.8 | 1723.5 | 2004.4 |
| 6. Transportation and Communication | 381.1 | 809.4 | 1051.0 |
| 7. Public Administration (including Public Finance Census and Weather) | 718.1 | 1013.8 | 1145.0 |
| 8. General Projects | 515.0 a/ | 506.1 b/ | 212.3 c/ |
| 9. Domestic Program Costs | 547.9 | 739.3 | 970.0 |
| Total Obligations | 17,788.3 | 21,595.5 | 24,342.0 |

a/ U. S. Brazil Joint Commission for Economic Development.

b/ Ibid., and Regional Audio Visual Program.

c/ Regional Audio Visual Program and Technical Assistance to the Brazilian Economic Development Bank.

TECHNICAL PROGRESS AND DEVELOPMENT
AMERICAN REPUBLICS
FISCAL YEAR 1954 ESTIMATE
SUMMARY BY COUNTRY AND MAJOR COST COMPONENTS

(In Thousands of Dollars)

| Country | Total | Supplies & Equipment a/ | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | No. of Persons | Cost b/ | No. of Persons | Cost |
| Bolivia | 1525.1 | 794.5 | 730.6 | 56 | 579.4 | 27 | 151.2 |
| Brazil | 3771.7 | 1776.5 | 1995.2 | 129 | 1380.7 | 146 | 614.5 |
| Chile | 1777.7 | 1138.3 | 639.4 | 35 | 437.7 | 40 | 201.7 |
| Colombia | 1788.1 | 932.5 | 855.6 | 50 | 487.3 | 74 | 368.3 |
| Costa Rica | 1133.4 | 495.8 | 637.6 | 41 | 521.3 | 29 | 116.3 |
| Cuba | 257.5 | 32.9 | 224.6 | 17 | 188.6 | 9 | 36.0 |
| Dominican Republic | 546.5 | 245.8 | 300.7 | 19 | 224.1 | 18 | 76.6 |
| Ecuador | 1399.6 | 591.5 | 808.1 | 51 | 613.8 | 43 | 194.3 |
| El Salvador | 799.0 | 302.4 | 496.6 | 36 | 404.9 | 23 | 91.7 |
| Guatemala | 215.9 | 99.9 | 116.0 | 9 | 116.0 | - - - | - - - |
| Haiti | 841.7 | 409.1 | 432.6 | 27 | 328.5 | 26 | 104.1 |
| Honduras | 1008.4 | 575.0 | 433.4 | 29 | 345.4 | 22 | 88.0 |
| Mexico | 1320.7 | 545.9 | 774.8 | 51 | 584.6 | 50 | 190.2 |
| Nicaragua | 699.3 | 312.3 | 387.0 | 28 | 323.5 | 14 | 63.5 |
| Panama | 1272.1 | 659.0 | 613.1 | 45 | 487.4 | 28 | 125.7 |
| Paraguay | 1584.4 | 745.8 | 838.6 | 55 | 677.8 | 29 | 160.8 |
| Peru | 2140.7 | 1082.4 | 1058.3 | 69 | 742.1 | 68 | 316.2 |
| Uruguay | 538.4 | 257.5 | 280.9 | 15 | 188.8 | 21 | 92.1 |
| Venezuela | 192.0 | 70.6 | 121.4 | 9 | 121.4 | - - - | - - - |
| Regional Projects | 1283.7 | 405.5 | 878.2 | 80 | 878.2 | - - - | - - - |
| Dependent Overseas Territories | 246.1 | 22.0 | 224.1 | 8 | 93.0 | 60 | 131.1 |
| Total | 24,342.0 | 11,495.2 | 12,846.8 | 859 | 9,724.5 | 727 | 3,122.3 |

a/ Comprises grants to Servicios and Joint Funds, local employees', salaries, local travel and other field party expenses.

b/ Comprises Salaries, Allowances, international travel, transportation effects.

MATERIALS DEVELOPMENT[a]/

Comparative Summary of Obligations by Activity

(In dollars or equivalent in local currency)

| | FY 1952 | FY 1953 | FY 1954 |
|---|---|---|---|
| **Summary by Country and Major Area** | | | |
| European Metropoles | 36,330,992 | 9,385,806 | 1,000,000 |
| Austria | - | 195,526 | - |
| Germany | 278,339 | 3,856,000 | - |
| Greece | 6,613,595 | 1,598,265 | - |
| Italy | 1,784,000 | 64,000 | - |
| Norway | 27,480,232 | 2,735,846 | - |
| Portugal | 174,826 | 936,169 | - |
| Turkey | - | - | 1,000,000 |
| DOT's in Africa | 40,039,763 | 23,452,000 | 29,000,000 |
| United Kingdom | 25,219,355 | 13,692,000 | 21,700,000 |
| France | 14,970,408 | 9,760,000 | 6,300,000 |
| Portugal | (- 150,000) | - | 1,000,000 |
| Far East and South Asia | 2,035,751 | 259,000 | 8,200,000 |
| New Caledonia | 2,035,751 | - | - |
| Philippines | - | - | 3,620,000 |
| Formosa | - | 259,000 | 200,000 |
| Indonesia | - | - | 1,000,000 |
| India | - | - | 3,380,000 |
| Near East and Middle East & Other [b]/ | 776,966 | - | 1,800,000 |
| Greenland | 12,000 | - | - |
| Jamaica | 764,966 | - | - |
| Liberia | - | - | 1,800,000 |
| TOTAL | 79,183,472 | 33,096,806 | 40,000,000 |
| **Summary by Major Types of Project** | | | |
| Surveys, Exploration and Materials Production Facilities | 57,464,463 | 17,438,806 | 14,620,000 |
| Transport, Power, Ports and Other Facilities Directly Supporting Materials Production | 21,719,009 | 15,658,000 | 23,380,000 |
| Minerals Development Banks | - | - | 2,000,000 |
| TOTAL | 79,183,472 | 33,096,806 | 40,000,000 |

a/ The funds are requested for FY 1954 for Sec. 514 projects only. Figures for FY 1952 include strategic materials development for U.S. needs under Sec. 115(h) of the ECA Act, as amended, but exclude the purchase of materials for U.S. stockpile. Figures for FY 1953 include projects under both sections but exclude purchases of materials for U.S. stockpile.

b/ Other projects, primarily in Near and Middle East are being considered for this major area as possible alternatives to those listed for FY 1954.

C. SPECIAL ECONOMIC ASSISTANCE IN THE NEAR EAST AND AFRICA
COMPARATIVE SUMMARY OF OBLIGATIONS BY ACTIVITY

(In thousands of dollars)

| Activity | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Special Economic Assistance in the Near East and Africa | | | |
| (a) Arab States, Israel and Iran | 64,764 | 70,228 | 140,000 |
| (b) Palestine Refugee Program | 50,000 | 16,000 | 44,063 |
| (c) Dependent Overseas Territories in Africa | --- | --- | 24,000 |
| Total Obligations | 114,764 | 86,228 | 208,063 |

SPECIAL ECONOMIC ASSISTANCE
ARAB STATES, ISRAEL AND IRAN
NEAR EAST AND AFRICA

COMPARATIVE SUMMARY OF OBLIGATIONS
(In thousands of dollars)

| ACTIVITY | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 5/ |
|---|---|---|---|
| ARAB STATES | | | |
| Palestine Refugee Program 1/ | 50,000 | 16,000 | |
| Economic Assistance 2/ | 1,264 | -- | |
| Total | 51,264 | 16,000 | |
| ISRAEL | | | |
| Relief and Resettlement of Refugees Entering Israel 3/ | 50,000 | 70,228 | |
| Economic Assistance 4/ | 13,500 | -- | |
| Total | 63,500 | 70,228 | |
| IRAN | | | |
| Economic Assistance | -- | -- | |
| TOTAL - ARAB STATES, ISRAEL & IRAN | 114,764 | 86,228 | 140,000 5/ |

1/ Aid for the Relief and Resettlement of Palestine Refugees.
2/ Wheat shipments to Jordan authorized under Economic Assistance provisions of Section 203 P.L. 165.
3/ Appropriated under Section 205 of P.L. 165 and P.L. 547 for Relief and Resettlement of Refugees entering Israel.
4/ Includes $13,500,000 for Economic Assistance under Section 203 of P.L. 165.
5/ Authorized for appropriation: $140,000,000 as a "package" program.

PALESTINE REFUGEE PROGRAM

COMPARATIVE SUMMARY OF OBLIGATIONS

| | Actual FY 1952 | Actual FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| U.S. Contributions to United Nations Relief and Works Agency for Palestine Refugees | $50,000,000 | $16,000,000 | $44,063,250 1/ |

UNITED NATIONS RELIEF AND WORKS AGENCY FOR PALESTINE REFUGEES

COMPARATIVE SUMMARY OF RECEIPTS AND OBLIGATIONS

| | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Receipts | | | |
| Balance, unobligated funds | $ 7,798,089 | $20,833,450 | $39,333,450 |
| Contributions and misc. receipts | | | |
| U.S. contribution | 30,000,000 | 36,000,000 2/ | 44,063,250 |
| Other contributions | 13,281,587 | 14,500,000 | 17,000,000 |
| Direct aid and services | 4,711,985 | 4,000,000 | 3,500,000 |
| | $55,791,661 | $75,333,450 | $103,896,700 |
| Obligations and Expenditures | | | |
| Relief | $26,999,244 | $24,000,000 | $24,000,000 |
| Reintegration | 3,246,982 | 8,000,000 | 75,000,000 |
| Direct aid and services | 4,711,985 | 4,000,000 | 3,500,000 |
| | $34,958,211 | $36,000,000 | $102,500,000 |
| Balance to carry forward | $20,833,450 | $39,333,450 | $ 1,396,700 |

1/ No new appropriation is being sought for this program. Carryover authority of $44,063,250, however, is requested.

2/ Includes payment of $20,000,000 made in fiscal year 1953 under appropriation for, and obligated in, fiscal year 1952.

DEPENDENT OVERSEAS TERRITORIES

NEAR EAST AND AFRICA

COMPARATIVE SUMMARY OF OBLIGATIONS

| Activity | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| (C) DEPENDENT OVERSEAS TERRITORIES IN AFRICA | | | |
| Section 115(k) Funds | $ -- | $ 625.0 | $ -- |
| European Program Funds | 37,580.0* | 42,787.0* | -- |
| Special Economic Assistance | 202.6 | 625.4 | 24,000.0 |
| | $ 37,782.6 | $ 44,037.4 | $ 24,000.0 |

* These obligations were made from regular French program funds for the purchase of supplies and equipment for the French Overseas Territories.

## D. SPECIAL ECONOMIC ASSISTANCE FOR INDIA AND PAKISTAN
## ASIA AND THE PACIFIC

### COMPARATIVE SUMMARY OF OBLIGATIONS

(In thousands of dollars)

| Country | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| India | - | - | 79,900,000 |
| Pakistan | - | - | 14,500,000 |
| TOTAL Obligations | - | - | 94,400,000 |

### COMPARATIVE SUMMARY OF OBLIGATIONS BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Major Project Category | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| 1. Agriculture, Forestry and Fisheries | - | - | 28,300.0 |
| 2. Health and Sanitation | - | - | 8,160.0 |
| 3. Education | - | - | - |
| 4. Natural Resources | - | - | 25,000.0 |
| 5. Industry, Trade and Labor | - | - | 32,190.0 |
| 6. Transportation and Communication | - | - | 750.0 |
| 7. Public Administration (including Public Finance, Census and Weather) | - | - | - |
| 8. General Projects | - | - | - |
| 9. Domestic Program Costs | - | - | - |
| TOTAL Obligations | - | - | 94,400.0 |

### FISCAL YEAR 1954 ESTIMATE
### SUMMARY BY COUNTRY AND MAJOR COST COMPONENTS

(In thousands of dollars)

| Country | Total | Supplies and Equipment | Services: Total Service Cost | Services: U. S. Technicians: No. of Persons | Services: U. S. Technicians: Cost | Services: Trainees: No. of Persons | Services: Trainees: Cost |
|---|---|---|---|---|---|---|---|
| India | 79,900 | 79,900 | - | - | - | - | - |
| Pakistan | 14,500 | 14,500 | - | - | - | - | - |
| TOTAL Obligations | 94,400 | 94,400 | - | - | - | - | - |

## CHAPTER V. MULTILATERAL ORGANIZATIONS

### COMPARATIVE SUMMARY OF OBLIGATIONS BY ACTIVITY

| Activity | Actual FY 1952 | Actual FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| A. Movement of Migrants | $10,000,000 | $8,190,500 | $10,000,000 |
| Deduct carry-over from 1953 | | | - |
| Appropriation Request for A | | | 10,000,000 |
| B. Multilateral Technical Cooperation | 12,330,000 | 9,171,333 | 13,750,000 |
| Deduct carry-over from 1953 | | | - |
| Appropriation Request for B | | | 13,750,000 |
| C. International Children's Welfare | - | 6,666,667 | 9,000,000 |
| Deduct carry-over from 1953 | | | - |
| Appropriation Request for C | | | 9,000,000 |
| D. Ocean Freight Voluntary Relief Packages | 2,871,713 | 2,191,078 | 1,825,000 |
| Deduct carry-over from 1953 | | | 396,422 |
| Appropriation for D | | | 1,428,578 |
| E. United Nations Korean Reconstruction Agency | 10,000,000 | 40,750,000 | 71,000,000 |
| Deduct carry-over from 1953 | | | 700,000 |
| Appropriation Request for E | | | 70,300,000 |
| Recapitulation of Multilateral Organizations | | | |
| Total Direct Obligations | 35,201,713 | 66,969,578 | 105,575,000 |
| Deduct carry-over from 1953 | | | 1,096,422 |
| Total Appropriation Request for Multilateral Organizations | | | 104,478,578 |

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## A. MOVEMENT OF MIGRANTS

### COMPARATIVE SURVEY OF OBLIGATIONS

| Activity | Actual FY 1952 a/ | Estimate FY 1953 | Estimate FY 1954 b/ |
|---|---|---|---|
| Movement of Migrants | $10,000,000 | $9,240,500 | $10,000,000 |
| Minus deobligation of FY 1952 funds in FY 1953 a/ | | 1,050,000 | |
| | | $8,190,500 | |

### SUMMARY OF MOVEMENT OF MIGRANTS

| From | Actual Cal. 1952 (2/1-12/31) | Estimate Cal. 1953 | Estimate Cal. 1954 |
|---|---|---|---|
| Austria | 11,012 | 13,000 | 15,200 |
| Germany | 38,276 | 42,800 | 50,000 |
| Greece | 495 | 5,000 | 5,700 |
| Italy and Trieste | 12,278 | 44,700 | 53,000 |
| Netherlands | 10,052 | 9,700 | 10,400 |
| Others | 5,513 | 4,800 | 5,700 |
| TOTAL | 77,626 | 120,000 | 140,000 |

| To | Actual Cal. 1952 (2/1-12/31) | Estimate Cal. 1953 | Estimate Cal. 1954 |
|---|---|---|---|
| Australia and New Zealand | 15,486<br>397 | 26,600 | 31,200 |
| Canada | 8,853 | 18,700 | 23,200 |
| Argentina | - | 20,000 | 28,000 |
| Brazil | 9,797 | 23,000 | 23,500 |
| Other Latin American Countries | 2,812 | 16,000 | 17,000 |
| United States | 38,102 c/ | 12,500 | 12,500 |
| Others | 2,179 | 3,200 | 4,600 |
| TOTAL | 77,626 | 120,000 | 140,000 |

a/ $10,000,000 was appropriated but only $8,950,000 was contributed to the Intergovernmental Committee for European Migration (ICEM) due to drop in number of migrants moved.

b/ For contribution to ICEM for calendar year 1954.

c/ Represents ethnic Germans and displaced persons from Germany and Austria entering the United States under the Displaced Persons Act of 1948, as amended.

## B. MULTILATERAL TECHNICAL COOPERATION

### COMPARATIVE SUMMARY OF U.S. OBLIGATIONS

| | Actual 1952 | Estimate 1953 | Estimate 1954 |
|---|---|---|---|
| United Nations | $11,400,000 | $8,171,333 | $17,345,812 |
| Organization of American States | 930,000 | 1,000,000 | 1,000,000 |
| Total | $12,330,000 | $9,171,333 | $18,345,812 |
| Less amount pending in supplemental request previously submitted | | | -4,595,812 |
| Total of this request | | | $13,750,000 |

### United Nations and Specialized Agencies

### Estimated Program for Calendar Year 1954

SUMMARY BY CATEGORY AND MAJOR COST COMPONENTS

| MAJOR PROJECT CATEGORY | Technicians No. | Technicians Costs | Fellowships No. | Fellowships Costs | Supplies & Equipment | Total |
|---|---|---|---|---|---|---|
| 1. Agriculture, Forestry & Fisheries | 297 | $ 3,653,100 | 255 | $ 816,000 | $1,493,600 | $5,962,700 |
| 2. Health and Sanitation (including Housing, Social Welfare and Vital Statistics) | 302 | 3,714,600 | 212 | 678,400 | 1,475,000 | 5,868,000 |
| 3. Education | 115 | 1,414,500 | 158 | 505,600 | 626,000 | 2,546,100 |
| 4. Natural Resources | 33 | 405,900 | 45 | 144,000 | 178,000 | 727,900 |
| 5. Industry, Trade & Labor | 120 | 1,476,000 | 166 | 531,200 | 655,000 | 2,662,200 |
| 6. Transportation & Communications | 45 | 553,500 | 63 | 201,600 | 249,300 | 1,004,400 |
| 7. Public Administration | 71 | 873,300 | 149 | 476,800 | 238,000 | 1,588,100 |
| 8. General Projects | 48 | 590,400 | 61 | 195,200 | 105,000 | 890,600 |
| Total | 1,031 | $12,681,300 | 1,109 | $3,548,800 | $5,019,900 | $21,250,000 |

**PROPOSED U.S. CONTRIBUTION**

| | |
|---|---|
| United Nations | 12,750,000 |
| Organization of American States | 1,000,000 |
| Total of this request | $13,750,000 |

B. MULTILATERAL TECHNICAL COOPERATION

United Nations and Specialized Agencies

Estimated Program for Calendar Year 1954 by Geographic Region

| Agency | Europe | Near East and Africa | Asia and the Pacific | Latin America | Total |
|---|---|---|---|---|---|
| Total Program | | | | | |
| United Nations 1/ | $ 449,000 | $1,254,000 | $1,300,000 | $1,450,000 | $4,453,000 |
| Food and Agriculture Organization | 365,000 | 2,184,000 | 1,800,000 | 1,270,000 | 5,619,000 |
| International Civil Aviation Organization | 80,000 | 335,000 | 350,000 | 120,000 | 885,000 |
| International Labor Organization | 349,000 | 354,000 | 683,000 | 746,000 | 2,132,000 |
| United Nations Educational, Scientific, and Cultural Organization | 77,000 | 931,000 | 910,000 | 790,000 | 2,708,000 |
| World Health Organization | 199,000 | 1,200,000 | 1,785,000 | 1,080,000 | 4,264,000 |
| TAB Secretariat & Resident Representatives | 90,000 | 370,000 | 404,000 | 325,000 | 1,189,000 |
| Total | $1,609,000 | $6,628,000 | $7,232,000 | $5,781,000 | $21,250,000 |

Proposed United States Contribution:

| | |
|---|---|
| United Nations | $12,750,000 |
| Organization of American States | 1,000,000 |
| | $13,750,000 |

1/ Includes funds for International Telecommunication Union and World Meteorological Organization.

## C. INTERNATIONAL CHILDREN'S WELFARE WORK

### COMPARATIVE SUMMARY OF OBLIGATIONS

| Item | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| International Children's Welfare Work | $ - | $ 6,666,667 | $ 18,814,333 |
| Less amount pending in supplemental request previously submitted | | | 9,814,333 |
| Total of this request | | | $ 9,000,000 1/ |

### UNICEF ALLOCATIONS FROM THE GENERAL ACCOUNT
### BY AREA AND PROGRAM

| By Area | Estimate Calendar Year 1953 Amount | Percentage | Estimate Calendar Year 1954 Amount | Percentage |
|---|---|---|---|---|
| Africa | $ 1,260,000 | 10.5 | $ 1,334,000 | 11.5 |
| Asia | 4,344,000 | 36.2 | 4,315,200 | 37.2 |
| Eastern Mediterranean | 1,404,000 | 11.7 | 1,415,200 | 12.2 |
| Europe | 456,000 | 3.8 | 440,800 | 3.8 |
| Latin America | 1,968,000 | 16.4 | 1,960,400 | 16.9 |
| Program benefiting more than one area | 408,000 | 3.4 | 394,400 | 3.4 |
| Emergencies (undsitributed) | 2,160,000 | 18.0 | 1,740,000 | 15.0 |
| Total by Area | $ 12,000,000 | 100.0 | $ 11,600,000 | 100.0 |

| By Program | Estimate Calendar Year 1953 Amount | Percentage | Estimate Calendar Year 1954 Amount | Percentage |
|---|---|---|---|---|
| Maternal and Child Welfare (MCW) | | | | |
| (a) Supplies and equipment for basic MCW programs | $3,720,000 | 31.0 | $ 3,596,000 | 31.0 |
| (b) Training | 456,000 | 3.8 | 440,800 | 3.8 |
| Mass Health | 3,552,000 | 29.6 | 3,398,800 | 29.3 |
| Nutrition | | | | |
| (a) Long-range feeding assistance | 684,000 | 5.7 | 1,044,000 | 9.0 |
| (b) Milk conservation | 1,020,000 | 8.5 | 986,000 | 8.5 |
| Programs benefiting more than one region | 408,000 | 3.4 | 394,400 | 3.4 |
| Emergencies | 2,160,000 | 18.0 | 1,740,000 | 15.0 |
| Sub-total, Programs | 12,000,000 | 100.0 | 11,600,000 | 100.0 |
| Freight | 1,500,000 | | 1,400,000 | |
| Administration and operational services | 2,000,000 | | 2,000,000 | |
| Total | $ 15,500,000 | | $ 15,000,000 | |
| U.S. Contribution approximately 60% of total | | | 9,000,000 1/ | |

1/ The Senate authorized $13,000,000 for this item for FY 1954. The Executive Branch will consider the presentation of a supplemental request for the amount of authorization finally voted in excess of $9,000,000 at a later date.

D. OCEAN FREIGHT - VOLUNTARY RELIEF SHIPMENTS

COMPARATIVE SUMMARY OF OBLIGATIONS BY AREA

| Area | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Europe | $2,682,687 | $2,037,656 | $700,000 |
| Near East | - | - | 423,000 |
| South Asia | 188,104 | 53,761 | 600,000 |
| Far East | 922 | 99,661 | 102,000 |
| Total | 2,871,713 | 2,191,078 | 1,825,000 |

COMPARATIVE SUMMARY OF OBLIGATIONS BY ACTIVITY

| Item | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Parcel Post Packages | $1,461,763 | $956,666 | - |
| Voluntary Agency Shipments | 1,409,950 | 1,234,412 | $1,825,000 |
| Total | 2,871,713 | 2,191,078 | 1,825,000 |

COMPARATIVE SUMMARY OF WEIGHT OF SHIPMENTS

| | Weight in Pounds | | |
|---|---|---|---|
| Item | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
| Parcel Post Packages | 33,627,000 | 21,407,514 | - |
| Voluntary Agency Shipments | 70,497,128 | 82,294,140 | 121,666,100 |
| Total | 104,124,128 | 103,701,654 | 121,666,100 |

## E. UNITED NATIONS KOREAN RECONSTRUCTION AGENCY

### COMPARATIVE SUMMARY OF OBLIGATIONS

| | Actual FY 1952 | Actual FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| U.S. Contributions to United Nations Korean Reconstruction Agency (UNKRA) | $ 10,000,000 | $ 40,750,000 | $ 71,000,000 |

### UNKRA PROGRAM AND PLAN OF EXPENDITURE
(In thousands of dollars)

| | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| 1. Reconstruction and Rehabilitation | | | |
| Agriculture and Fisheries | 492.74 | 6,000.0 | 12,237.0 |
| Industries | 193.63 | 8,150.0 | 26,202.0 |
| Power | | 5,100.0 | 6,931.0 |
| Transport and Communications | 9.97 | 6,900.0 | 14,515.0 |
| Natural Resources | | 2,000.0 | 6,750.0 |
| Housing | | 3,000.0 | 5,000.0 |
| Education | 466.83 | 8,000.0 | 5,000.0 |
| Health, Sanitation and Welfare | 24.93 | 2,500.0 | 3,050.0 |
| 2. Sustaining Commodity or Stabilization Imports | | 20,000.0 | 38,000.0 |
| 3. Special Projects | | | |
| Personnel for UNCACK | 556.67 | 2,500.0 | 2,000.0 |
| Support to Voluntary Agencies | | 500.0 | 2,000.0 |
| Technical Assistance Projects | | 350.0 | 1,065.0 |
| Rural Services | | | 1,000.0 |
| 4. Operational Personnel and Establishment | 856.92 | 2,500.0 | 4,500.0 |
| 5. Administrative Costs | 971.61 | 2,500.0 | 1,750.0 |
| TOTAL | 3,573.30 1/ | 70,000.0 | 130,000.0 |
| Required to meet U.S. Pledge | | | 111,750.0 |
| Estimated Supplies from Relief Pipeline | | | 40,750.0 |
| Cash Contribution Required | | | 71,000.0 |

1/ When UNKRA was established on December 1, 1950, the military circumstances indicated an early cessation of hostilities. Because such cessation of hostilities did not occur, UNKRA was prevented by military circumstances from undertaking large-scale operations prior to January, 1953. UNKRA disbursements prior to FY 1952 were $496,835.

DISTRIBUTION OF FY 1954 PROGRAM
BY AREA AND COUNTRY

(In thousands of dollars)

| Area and Country | I | II | III | IV | | | V | |
|---|---|---|---|---|---|---|---|---|
| | | | | Mutual Develop. & Technical Progress | | | | |
| | Mutual Def. Materiel & Training | Mutual Defense Financing | Mutual Spec.Wpns. Planning | Tech.Prog. & Develop. Programs | Basic Materials Develop. | Spec.Econ. Assistance | Multilateral Orgns. | Total |
| EUROPE | $2,539,597.9 | $518,200.0 | | | | | | $3,057,797.9 |
| Austria | | 20,000.0 | | | | | | 20,000.0 |
| Belgium | 182,025.5 | | | | | | | 182,025.5 |
| Denmark | 92,288.5 | | | | | | | 92,288.5 |
| France | 364,288.1 | 100,000.0 | | | | | | 464,288.1 |
| Germany | 338,526.9 | 15,000.0 | | | | | | 353,526.9 |
| Greece (Economic) | | 20,000.0 | | | | | | 20,000.0 |
| Iceland | | | | | | | | |
| Ireland | | | | | | | | |
| Italy | 351,214.0 | 20,000.0 | | | | | | 371,214.0 |
| Luxembourg | 9.1 | | | | | | | 9.1 |
| Netherlands | 93,655.2 | | | | | | | 93,655.2 |
| Norway | 20,056.0 | | | | | | | 20,056.0 |
| Portugal | 21,188.9 | | | | | | | 21,188.9 |
| Spain | 91,090.5 | 10,000.0 | | | | | | 101,090.5 |
| Sweden | | | | | | | | |
| Trieste | | | | | | | | |
| Turkey (Economic) | | 50,000.0 | | | | | | 50,000.0 |
| United Kingdom | 251,115.5 | 200,000.0 | | | | | | 451,115.5 |
| Yugoslavia | 216,905.2 | 45,000.0 | | | | | | 261,905.2 |
| Undistributed | 517,234.5 | 38,200.0 | | | | | | 555,434.5 |

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DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY EUROPE

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $3,734.8 | $456.7 | $7,432.4 | $61.9 | $1,919.8 | $4.4 |
| Army | 2,737.8 | 147.9 | 3,586.8 | 28.7 | 800.3 | 0 |
| Navy | 282.4 | 202.7 | 1,060.6 | 26.1 | 352.4 | 3.8 |
| Air Force | * 714.6 | 106.1 | 2,785.0 | 7.1 | 766.9 | .6 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 800,396 |
| Tanks and Combat Vehicles | - | - | - | $ 257,464 |
| Light Tanks | 1,863 | 629 | 89 | $ 10,542 |
| Medium Tanks | 5,450 | 1,886 | 767 | $ 121,238 |
| Other Combat Vehicles | 15,988 | 4,143 | 1,870 | $ 96,308 |
| Miscellaneous | - | - | - | $ 29,375 |
| Motor Transport Vehicles | - | - | - | $ 98,055 |
| 1/4 Ton Truck | 20,777 | 9,978 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 9,004 | 1,683 | 576 | $ 2,697 |
| 2½ Ton Cargo | 26,110 | 6,313 | 9,288 | $ 54,678 |
| Other Trucks | 14,798 | 4,127 | 2,474 | $ 28,442 |
| Trailers | 16,356 | 24,500 | 574 | $ 673 |
| Miscellaneous | - | - | - | $ 11,565 |
| Small Arms & Machine Guns | - | - | - | $ 8, 212 |
| Total Pieces | 1,193,081 | 220,304 | 45,879 | $ 7,304 |
| Miscellaneous | - | - | - | $ 908 |
| Artillery | - | - | - | $ 56,351 |
| Total Pieces | 17,732 | 5,112 | 2,210 | $ 48,421 |
| Miscellaneous | - | - | - | $ 7,930 |
| Ammunition Small Arms & MG (Thous Rds) | 342,038 | 545,493 | 165,773 | $ 21,273 |
| Ammunition - Artillery (Thous Rds) | 11,374 | 36,393 | 14,711 | $ 197,312 |
| All Other | - | - | - | $ 161,729 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 356,200 |
| Vessels | 137 | 274 | 68 | $ 164,600 |
| Major Combat | 28 | 8 | 4 | $ 23,800 |
| Patrol | 17 | 37 | 16 | $ 13,600 |
| Mine Vessels | 7 | 220 | 48 | $ 127,200 |
| Auxiliaries | 10 | 8 | 0 | $ 0 |
| Other | 75 | 1 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 96,200 |
| Aircraft - Total | 613 | 569 | 242 | $ 78,900 |
| Fighters | 215 | 121 | 138 | $ 23,300 |
| Bombers and Patrol | 330 | 347 | 66 | $ 38,400 |
| Other | 68 | 101 | 38 | $ 17,200 |
| Other Aero Equipment | - | - | - | $ 17,300 |
| All Other | - | - | - | $ 95,400 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 767,622 |
| A/C Spares & Aero Equip. | - | - | - | $ 543,428 |
| Day Fighters - Total | 502 | 1,006 | 530 | $ 130,037 |
| Conventional | 350 | 1 | 0 | $ 0 |
| Jet | 152 | 1,005 | 530 | $ 130,037 |
| All Weather Fighters—Jet | 0 | 50 | 253 | $ 89,058 |
| Fighter Bombers - Jet | 1, 241 | 1,539 | 475 | $ 127,873 |
| Reconnaissance - Total | 3 | 377 | 14 | $ 5,680 |
| Jet | 0 | 377 | 14 | $ 5,580 |
| Conventional | 3 | 0 | 0 | $ 0 |
| Bombers - Conventional | 134 | 10 | 0 | $ 0 |
| Transports - Conventional | 72 | 104 | 0 | $ 0 |
| Trainers - Total | 406 | 741 | 50 | $ 4,294 |
| Jet | 102 | 423 | 30 | $ 3,669 |
| Conventional | 304 | 318 | 20 | $ 625 |
| Other Aircraft | 3 | 1 | 2 | $ 1,011 |
| Initial Spares & Aero. Equip. Total | - | - | - | $185,575 |
| All Other | - | - | - | $ 224,194 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 37,161 | 17,323 | 3,343 | 13,242 |
| Army | 8,956 | 5,103 | 253 | 3,246 |
| Navy | 14,815 | 5,400 | 743 | 4,059 |
| Air Force | 13,390 | 6,820 | 2,347 | 5,937 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts.
* Includes $24.3 million of spare parts shipped to AF Depot.

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Previous Page Blank

PROGRAM BY COUNTRY

AUSTRIA

(In thousands of dollars)

| Item | Actual FY 1952 | Program Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel Training | | $ 67,300 a/ | - |
| Mutual Defense Financing | | | |
| Defense Support | $ 120,000 b/ | 49,400 | $ 20,000 |
| Total Country Estimate | | | $ 20,000 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.
b/ Includes $4.0 million FY 1951 obligations advanced for FY 1952 programs.

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DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY STOCKPILE A

**VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954**
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $54.7 | $.5 | $13.3 | $0 | $0 | $0 |
| Army | 54.7 | .5 | 13.3 | 0 | 0 | 0 |
| Navy | 0 | 0 | 0 | 0 | 0 | 0 |
| Air Force | 0 | 0 | 0 | 0 | 0 | 0 |

**MATERIEL PROGRAMS**
**QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954**
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program: Quantities Shipped | FY 1950-53 Program: Quan. To Be Shipped | Proposed FY 1954 Program: Quantity | Proposed FY 1954 Program: Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 0 |
| Tanks and Combat Vehicles | - | - | - | $ 0 |
| Light Tanks | 69 | 0 | 0 | $ 0 |
| Medium Tanks | 6 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 35 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Motor Transport Vehicles | - | - | - | $ 0 |
| 1/4 Ton Truck | 2,078 | 50 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 895 | 0 | 0 | $ 0 |
| 2½ Ton Cargo | 1,748 | 0 | 0 | $ 0 |
| Other Trucks | 397 | 0 | 0 | $ 0 |
| Trailers | 611 | 2,143 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Small Arms & Machine Guns | - | - | - | $ 0 |
| Total Pieces | 31,627 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Artillery | - | - | - | $ 0 |
| Total Pieces | 410 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Ammunition Small Arms & MG (Thous Rds) | 20,831 | 0 | 0 | $ 0 |
| Ammunition - Artillery (Thous Rds) | 221 | 87 | 0 | $ 0 |
| All Other | - | - | - | $ 0 |

| NAVY | FY 1950-53 Program: Quantities Shipped | FY 1950-53 Program: Quan. To Be Shipped | Proposed FY 1954 Program: Quantity | Proposed FY 1954 Program: Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ |
| Vessels | | | | $ |
| Major Combat | | | | $ |
| Patrol | | | | $ |
| Mine Vessels | | | | $ |
| Auxiliaries | | | | $ |
| Other | | | | $ |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ |
| Aircraft - Total | | | | $ |
| Fighters | | | | $ |
| Bombers and Patrol | | | | $ |
| Other | | | | $ |
| Other Aero Equipment | - | - | - | $ |
| All Other | - | - | - | $ |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ |
| A/C Spares & Aero Equip. | - | - | - | $ |
| Day Fighters - Total | | | | $ |
| Conventional | | | | $ |
| Jet | | | | $ |
| All Weather Fighters—Jet | | | | $ |
| Fighter Bombers - Jet | | | | $ |
| Reconnaissance - Total | | | | $ |
| Jet | | | | $ |
| Conventional | | | | $ |
| Bombers - Conventional | | | | $ |
| Transports - Conventional | | | | $ |
| Trainers - Total | | | | $ |
| Jet | | | | $ |
| Conventional | | | | $ |
| Other Aircraft | | | | $ |
| Initial Spares & Aero. Equip. Total | - | - | - | $ |
| All Other | - | - | - | $ |

**TRAINING PROGRAMS**
**FORMAL TRAINING COURSES (U. S. AND OVERSEAS)**

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 0 | 0 | 0 | 0 |
| Army | 0 | 0 | 0 | 0 |
| Navy | 0 | 0 | 0 | 0 |
| Air Force | 0 | 0 | 0 | 0 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts.

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SECRET
SECURITY INFORMATION

PROGRAM BY COUNTRY

BELCIUM

(In thousands of dollars)

| ITEM | PROGRAM Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel and Training | | | |
| Materiel | | | 166,900 |
| Training | | | 15,200 |
| Total | | 981,400 a/ | 182,100 |
| Mutual Defense Financing | | - | - |
| Total Country Estimate | | | 182,100 |

a/ Cumulative program 1950 1953. Military program records maintained cumulatively.

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DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY BELGIUM

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $467.6 | $14.3 | $552.9 | $.1 | $166.9 | $0 |
| Army | 385.3 | 12.9 | 246.2 | 0 | 85.6 | 0 |
| Navy | 6.0 | .7 | 66.9 | 0 | 16.1 | 0 |
| Air Force | 76.3 | .7 | 239.8 | .1 | 65.2 | 0 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 85,644 |
| Tanks and Combat Vehicles | - | - | - | $ 39,071 |
| Light Tanks | 135 | 55 | 32 | $ 3,790 |
| Medium Tanks | 1,071 | 0 | 64 | $ 10,664 |
| Other Combat Vehicles | 2,607 | 392 | 476 | $ 20,293 |
| Miscellaneous | - | - | - | $ 4,324 |
| Motor Transport Vehicles | - | - | - | $ 23,676 |
| 1/4 Ton Truck | 2,181 | 616 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 998 | 271 | 0 | $ 0 |
| 2½ Ton Cargo | 2,391 | 409 | 2,628 | $ 15,471 |
| Other Trucks | 719 | 24 | 500 | $ 5,586 |
| Trailers | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 2,619 |
| Small Arms & Machine Guns | - | - | - | $ 1,700 |
| Total Pieces | 20,872 | 2,686 | 2,335 | $ 1,512 |
| Miscellaneous | - | - | - | $ 188 |
| Artillery | - | - | - | $ 11,741 |
| Total Pieces | 1,386 | 182 | 635 | $ 10,442 |
| Miscellaneous | - | - | - | $ 1,299 |
| Ammunition Small Arms & MG (Thous Rds) | 18,942 | 1 | 0 | $ 0 |
| Ammunition - Artillery (Thous Rds) | 685 | 446 | 0 | $ 0 |
| All Other | - | - | - | $ 9,456 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 16,100 |
| Vessels | 1 | 26 | 4 | $ 15,300 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 0 | 2 | 0 | $ 0 |
| Mine Vessels | 1 | 24 | 4 | $ 15,300 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 800 |

| AIR FORCE | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 65,151 |
| A/C Spares & Aero Equip. | - | - | - | $ 51,736 |
| Day Fighters - Total | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 181 | 137 | 107 | $ 36,293 |
| Reconnaissance - Total | 0 | 22 | 2 | $ 797 |
| Jet | 0 | 22 | 2 | $ 797 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 16 | 24 | 0 | $ 0 |
| Trainers - Total | 29 | 62 | 0 | $ 0 |
| Jet | 13 | 32 | 0 | $ 0 |
| Conventional | 16 | 30 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 14,646 |
| All Other | - | - | - | $ 13,415 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 4,229 | 2,275 | 276 | 1,195 |
| Army | 1,887 | 1,290 | 22 | 316 |
| Navy | 795 | 139 | 15 | 547 |
| Air Force | 1,547 | 846 | 239 | 332 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts.

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SECRET - Security Information

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SECURITY INFORMATION

PROGRAM BY COUNTRY

DENMARK

(In Thousands of Dollars)

| Item | Program Actual FY 1952 | Program Estimate FY 1953 | Program Estimate FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel & Training | | | |
| Materiel | | | 88,600 |
| Training | | | 3,700 |
| Total | | $394,500 a/ | 92,300 |
| Mutual Defense Financing | - | - | - |
| | | | 92,300 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.



SECRET
SECURITY INFORMATION

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY DENMARK

**VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954**
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $120.5 | $6.5 | $259.0 | $2.7 | $88.6 | $0 |
| Army | 63.6 | 3.5 | 107.2 | .1 | 63.5 | 0 |
| Navy | 20.2 | 2.2 | 58.8 | 2.1 | 18.8 | 0 |
| Air Force | 36.7 | .8 | 93.0 | .5 | 6.3 | 0 |

**MATERIEL PROGRAMS**
**QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954**
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 63,488 |
| Tanks and Combat Vehicles | - | - | - | $ 2,754 |
| Light Tanks | 10 | 33 | 0 | $ 0 |
| Medium Tanks | 1 | 7 | 0 | $ 0 |
| Other Combat Vehicles | 245 | 188 | 95 | $ 2,303 |
| Miscellaneous | - | - | - | $ 451 |
| Motor Transport Vehicles | - | - | - | $ 32,751 |
| 1/4 Ton Truck | 2,740 | (171) | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 850 | 0 | 0 | $ 0 |
| 2½ Ton Cargo | 1,270 | 0 | 4,237 | $ 24,943 |
| Other Trucks | 143 | 127 | 179 | $ 3,444 |
| Trailers | 14 | 391 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 4,364 |
| Small Arms & Machine Guns | - | - | - | $ 1,173 |
| Total Pieces | 63,827 | 6,831 | 6,418 | $ 1,043 |
| Miscellaneous | - | - | - | $ 130 |
| Artillery | - | - | - | $ 3,662 |
| Total Pieces | 1,291 | 157 | 111 | $ 3,257 |
| Miscellaneous | - | - | - | $ 405 |
| Ammunition Small Arms & MG (Thous Rds) | 41,506 | 0 | 23,842 | $ 3,092 |
| Ammunition - Artillery (Thous Rds) | 715 | 1,861 | 1,164 | $ 16,590 |
| All Other | - | - | - | $ 3,466 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 18,800 |
| Vessels | 1 | 18 | 10 | $ 13,500 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 0 | 10 | 0 | $ 0 |
| Mine Vessels | 0 | 8 | 10 | $ 13,500 |
| Auxiliaries | 1 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 100 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 100 |
| All Other | - | - | - | $ 5,200 |

| AIR FORCE | | | | |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 6,347 |
| A/C Spares & Aero Equip. | - | - | - | $ 0 |
| Day Fighters - Total | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 120 | 120 | 24 | $ * |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 2 | 0 | 0 | $ 0 |
| Transports - Conventional | 0 | 0 | 0 | $ 0 |
| Trainers - Total | 5 | 11 | 0 | $ 0 |
| Jet | 4 | 11 | 0 | $ 0 |
| Conventional | 1 | 0 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 0 |
| All Other | - | - | - | $ 6,347 |

**TRAINING PROGRAMS**
**FORMAL TRAINING COURSES (U. S. AND OVERSEAS)**

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 2,465 | 1,143 | 229 | 409 |
| Army | 934 | 504 | 34 | 280 |
| Navy | 675 | 162 | 0 | 3 |
| Air Force | 856 | 477 | 195 | 126 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts.

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* F84G aircraft to be recovered from other Title I countries on their receipt of F84F type currently programmed for them in FY 1950-53 program.

PROGRAM BY COUNTRY

FRANCE

(In thousands of dollars)

| Item | Actual FY 1952 | Program Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel and Training | | | |
| Materiel | | | 354,800 |
| Training | | | 9,500 |
| Total | | 3,959,200 a/ | 364,300 |
| Defense Support | 233,900 c/ | 354,700 | - |
| Special Defense Financing | - | - | 100,000 b/ |
| Total Country Estimate | | | 464,300 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.
b/ For NATO military production.
c/ Includes $10 million FY 1951 obligations advanced for FY 1952 programs.

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DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY FRANCE

**VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954**
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $1,606.6 | $244.7 | $2,308.3 | $7.9 | $354.8 | $0 |
| Army | 1,278.9 | 112.2 | 1,270.9 | 5.0 | 55.1 | 0 |
| Navy | 101.5 | 124.7 | 387.8 | 2.4 | 89.9 | 0 |
| Air Force | 226.2 | 7.8 | 649.6 | .5 | 209.8 | .0 |

**MATERIEL PROGRAMS**
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program: Quantities Shipped | FY 1950-53 Program: Quan. To Be Shipped | Proposed FY 1954 Program: Quantity | Proposed FY 1954 Program: Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 55,107 |
| Tanks and Combat Vehicles | - | - | - | $ 6,750 |
| Light Tanks | 1,167 | 168 | 0 | $ 0 |
| Medium Tanks | 2,837 | 77 | 18 | $ 2,999 |
| Other Combat Vehicles | 8,318 | 1,253 | 26 | $ 3,004 |
| Miscellaneous | - | - | - | $ 747 |
| Motor Transport Vehicles | - | - | - | $ 1,917 |
| 1/4 Ton Truck | 8,840 | 3,467 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 4,469 | 401 | 0 | $ 0 |
| 2½ Ton Cargo | 16,685 | 196 | 0 | $ 0 |
| Other Trucks | 10,869 | 2,204 | 55 | $ 1,369 |
| Trailers | 12,220 | 18,328 | 347 | $ 336 |
| Miscellaneous | - | - | - | $ 212 |
| Small Arms & Machine Guns | - | - | - | $ 23 |
| Total Pieces | 596,175 | 0 | 60 | $ 21 |
| Miscellaneous | - | - | - | $ 2 |
| Artillery | - | - | - | $ 298 |
| Total Pieces | 4,091 | 963 | 14 | $ 265 |
| Miscellaneous | - | - | - | $ 33 |
| Ammunition Small Arms & MG (Thous Rds) | 41,590 | 379,237 | 6,640 | $ 671 |
| Ammunition - Artillery (Thous Rds) | 5,739 | 14,282 | 629 | $26,442 |
| All Other | - | - | - | $19,006 |

| NAVY | FY 1950-53 Program: Quantities Shipped | FY 1950-53 Program: Quan. To Be Shipped | Proposed FY 1954 Program: Quantity | Proposed FY 1954 Program: Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 89,900 |
| Vessels | 20 | 99 | 17 | $ 55,300 |
| Major Combat | 16 | 7 | 0 | $ 0 |
| Patrol | 0 | 3 | 0 | $ 0 |
| Mine Vessels | 3 | 83 | 17 | $ 55,300 |
| Auxiliaries | 1 | 6 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 22,200 |
| Aircraft - Total | 410 | 142 | 69 | $ 20,500 |
| Fighters | 197 | 14 | 13 | $ 5,900 |
| Bombers and Patrol | 163 | 79 | 34 | $ 13,700 |
| Other | 50 | 49 | 22 | $ 900 |
| Other Aero Equipment | - | - | - | $ 1,700 |
| All Other | - | - | - | $ 12,400 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $209,755 |
| A/C Spares & Aero Equip. | - | - | - | $161,836 |
| Day Fighters - Total | 152 | 368 | 197 | $ 58,280 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Jet | 152 | 368 | 197 | $ 58,280 |
| All Weather Fighters—Jet | 0 | 0 | 132 | $ 46,604 |
| Fighter Bombers - Jet | 367 | 129 | 28 | $ 9,497 |
| Reconnaissance - Total | 0 | 101 | 2 | $ 797 |
| Jet | 0 | 101 | 2 | $ 797 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 27 | 23 | 0 | $ 0 |
| Trainers - Total | 223 | 224 | 0 | $ 0 |
| Jet | 55 | 125 | 0 | $ 0 |
| Conventional | 168 | 99 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $46,658 |
| All Other | - | - | - | $47,919 |

**TRAINING PROGRAMS**
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 13,655 | 5,671 | 1,632 | 1,993 |
| Army | 1,091 | 623 | 5 | 304 |
| Navy | 6,513 | 2,309 | 516 | 1,509 |
| Air Force | 6,051 | 2,739 | 1,111 | 180 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts.

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SECRET
SECURITY INFORMATION

PROGRAM BY COUNTRY

GERMANY

(In thousands of dollars)

| ITEM | PROGRAM Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel and Training | | | |
| Materiel | | $ 1,292,400 a/ | $295,570 |
| Training | | | 42,957 |
| Total | | | 338,527 |
| Mutual Defense Financing | | | |
| Defense-Support | $ 106,000 b/ | 83,600 | 15,000 |
| Total Country Estimate | | | $353,527 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.

b/ Includes $14.3 million FY 1951 obligations advanced for FY 1952 program.



SECRET
SECURITY INFORMATION

SECRET - Security Information

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY STOCKPILE B

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $95.6 | $0 | $1,364.0 | $0 | $295.6 | $2.1 |
| Army | 95.6 | 0 | 729.0 | 0 | 112.7 | 0 |
| Navy | 0 | 0 | 0 | 0 | 48.3 | 2.1 |
| Air Force | 0 | 0 | 635.0 | 0 | 134.5 | 0 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program | | Proposed FY 1954 Program | |
|---|---|---|---|---|
| | Quantities Shipped | Quan. To Be Shipped | Quantity | Value |
| Total Materiel Program | - | - | - | $112,732 |
| Tanks and Combat Vehicles | - | - | - | $ 30,440 |
| Light Tanks | 0 | 201 | 9 | $ 1,066 |
| Medium Tanks | 0 | 1,527 | 0 | $ 0 |
| Other Combat Vehicles | 0 | 567 | 372 | $ 26,014 |
| Miscellaneous | - | - | - | $ 3,360 |
| Motor Transport Vehicles | - | - | - | $ 2,225 |
| 1/4 Ton Truck | 0 | 2,935 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 0 | 0 | 0 | $ 0 |
| 2½ Ton Cargo | 0 | 2,360 | 0 | $ 0 |
| Other Trucks | 0 | 505 | 329 | $ 1,851 |
| Trailers | 0 | 257 | 10 | $ 128 |
| Miscellaneous | - | - | - | $ 246 |
| Small Arms & Machine Guns | - | - | - | $ 2,949 |
| Total Pieces | 0 | 110,304 | 20,529 | $ 2,623 |
| Miscellaneous | - | - | - | $ 326 |
| Artillery | - | - | - | $ 868 |
| Total Pieces | 0 | 1,672 | 261 | $ 772 |
| Miscellaneous | - | - | - | $ 96 |
| Ammunition Small Arms & MG (Thous Rds) | 0 | 112,540 | 106,857 | $ 12,402 |
| Ammunition - Artillery (Thous Rds) | 0 | 3,308 | 4,990 | $ 58,660 |
| All Other | - | - | - | $ 5,188 |

| NAVY | FY 1950-53 Program | | Proposed FY 1954 Program | |
|---|---|---|---|---|
| | Quantities Shipped | Quan. To Be Shipped | Quantity | Value |
| Total Materiel Program | - | - | - | $ 50,400 |
| Vessels | 0 | 0 | 24 | $ 35,500 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 0 | 0 | 16 | $ 13,600 |
| Mine Vessels | 0 | 0 | 8 | $ 21,900 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 6,400 |
| Aircraft - Total | 0 | 0 | 4 | $ 6,400 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 4 | $ 6,400 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 8,500 |

| AIR FORCE | | | | |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $134,527 |
| A/C Spares & Aero Equip. | - | - | - | $ 77,549 |
| Day Fighters - Total | 0 | 330 | 32 | $ 4,720 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 330 | 32 | $ 4,720 |
| All Weather Fighters—Jet | 0 | 0 | 79 | $ 26,854 |
| Fighter Bombers - Jet | 0 | 518 | 46 | $ 15,603 |
| Reconnaissance - Total | 0 | 140 | 5 | $ 1,993 |
| Jet | 0 | 140 | 5 | $ 1,993 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 0 | 0 | 0 | $ 0 |
| Trainers - Total | 0 | 270 | 0 | $ 0 |
| Jet | 0 | 130 | 0 | $ 0 |
| Conventional | 0 | 140 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 28,379 |
| All Other | - | - | - | $ 56,978 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 459 | 0 | 0 | 4,493 |
| Army | 459 | 0 | 0 | 502 |
| Navy | 0 | 0 | 0 | 0 |
| Air Force | 0 | 0 | 0 | 3,991 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts.

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SECRET - Security Information

PROGRAM BY COUNTRY

GREECE

(In thousands of dollars)

| | Actual FY 1952 | PROGRAM Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel and Training | | | |
| Materiel | | | $46,200 |
| Training | | | 1,700 |
| Total | | 503,900 a/ | 47,900 |
| Mutual Defense Financing | | | |
| Defense Support | 179,000 | 80,000 | 20,000 |
| Total Country Estimate | | | $67,900 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.

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DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY GREECE

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $235.7 | $34.6 | $231.6 | $8.1 | $46.2 | $0 |
| Army | 131.7 | 4.6 | 137.4 | 4.9 | 30.0 | 0 |
| Navy | 37.2 | 28.5 | 9.6 | 2.1 | 7.3 | 0 |
| Air Force | 66.8 | 1.5 | 84.6 | 1.1 | 9.0 | 0 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $30,000 |
| Tanks and Combat Vehicles | - | - | - | $ 606 |
| Light Tanks | 159 | 1 | 0 | $ 0 |
| Medium Tanks | 0 | 0 | 0 | $ .0 |
| Other Combat Vehicles | 553 | 310 | 15 | $ 432 |
| Miscellaneous | - | - | - | $ 174 |
| Motor Transport Vehicles | - | - | - | $15,374 |
| 1/4 Ton Truck | 1,043 | 0 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 1,562 | 4 | 0 | $ 0 |
| 2½ Ton Cargo | 1,045 | 1,049 | 1,431 | $ 8,424 |
| Other Trucks | 1,100 | 248 | 375 | $ 2,535 |
| Trailers | 329 | 0 | 174 | $ 168 |
| Miscellaneous | - | - | - | $ 4,247 |
| Small Arms & Machine Guns | - | - | - | $ 223 |
| Total Pieces | 29,958 | 5,116 | 3,614 | $ 159 |
| Miscellaneous | - | - | - | $ 64 |
| Artillery | - | - | - | $ 3,025 |
| Total Pieces | 1,781 | 386 | 44 | $ 2,156 |
| Miscellaneous | - | - | - | $ 869 |
| Ammunition Small Arms & MG (Thous Rds) | 60,287 | 19,360 | 3,025 | $ 509 |
| Ammunition - Artillery (Thous Rds) | 724 | 2,514 | 132 | $ 7,714 |
| All Other | - | - | - | $ 2,549 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 7,300 |
| Vessels | 33 | 2 | 0 | $ 0 |
| Major Combat | 6 | 0 | 0 | $ 0 |
| Patrol | 1 | 0 | 0 | $ 0 |
| Mine Vessels | 14 | 2 | 0 | $ 0 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 12 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 7,300 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 8,954 |
| A/C Spares & Aero Equip. | - | - | - | $ 1,408 |
| Day Fighters - Total | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 141 | 87 | 14 | $ * |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 0 | 0 | 0 | $ 0 |
| Trainers - Total | 8 | 39 | 5 | $ 612 |
| Jet | 8 | 22 | 5 | $ 612 |
| Conventional | 0 | 17 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 796 |
| All Other | - | - | - | $ 7,546 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 3,338 | 2,534 | 139 | 599 |
| Army | 1,390 | 784 | 53 | 539 |
| Navy | 1,308 | 1205 | 24 | 19 |
| Air Force | 640 | 545 | 62 | 41 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts

* F84G aircraft to be recovered from Title I countries on their receipt of F84F type currently programmed for them in their FY 1950-53 program.

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SECRET
SECURITY INFORMATION

PROGRAM BY COUNTRY

ITALY

(In thousands of dollars)

| Item | PROGRAM Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel and Training | | | |
| Materiel | | | $340,700 |
| Training | | | 10,500 |
| Total | | $1,378,300 a/ | 351,200 |
| Mutual Defense Financing | | | |
| Defense Support | 162,500 b/ | 102,000 c/ | 57,500 d/ |
| Total Country Estimate | | | 408,700 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.

b/ Includes $3.2 million FY 1951 obligations advanced for FY 1952 program and $1.3 million unobligated balance of FY 1952 allotment; excludes $.9 unobligated balance of FY 1951 allotment.

c/ Excludes $1.3 million obligations against FY 1952 allotments.

d/ Includes $37.5 million special carryover obligation for aircraft production.



SECRET
SECURITY INFORMATION

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DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY ITALY

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $505.3 | $41.0 | $977.5 | $21.3 | $240.7 | $0 |
| Army | 359.7 | 5.6 | 436.1 | 4.8 | 139.2 | 0 |
| Navy | 60.0 | 20.6 | 140.2 | 13.5 | 32.7 | 0 |
| Air Force | 85.6 | 14.8 | 401.2 | 3.0 | 168.7 | 0 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program | | Proposed FY 1954 Program | |
|---|---|---|---|---|
| | Quantities Shipped | Quan. To be Shipped | Quantity | Value |
| Total Materiel Program | - | - | - | $139,218 |
| Tanks and Combat Vehicles | - | - | - | $ 93,760 |
| Light Tanks | 351 | 96 | 0 | $ 0 |
| Medium Tanks | 876 | 0 | 330 | $ 54,990 |
| Other Combat Vehicles | 953 | 152 | 419 | $ 28,398 |
| Miscellaneous | - | - | - | $ 10,372 |
| Motor Transport Vehicles | - | - | - | $ 3,063 |
| 1/4 Ton Truck | 0 | 464 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 0 | 0 | 575 | $ 2,690 |
| 2½ Ton Cargo | 0 | 0 | 0 | $ 0 |
| Other Trucks | 435 | 0 | 2 | $ 35 |
| Trailers | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 338 |
| Small Arms & Machine Guns | - | - | - | $ 911 |
| Total Pieces | 228,858 | 51,326 | 7,448 | $ 810 |
| Miscellaneous | - | - | - | $ 101 |
| Artillery | - | - | - | $ 4,140 |
| Total Pieces | 4,597 | 168 | 209 | $ 3,683 |
| Miscellaneous | - | - | - | $ 457 |
| Ammunition Small Arms & MG (Thous Rds) | 39,221 | 30,604 | 19,633 | $ 2,649 |
| Ammunition - Artillery (Thous Rds) | 958 | 8,687 | 1,624 | $ 16,008 |
| All Other | - | - | - | $ 18,687 |

| NAVY | FY 1950-53 Program | | Proposed FY 1954 Program | |
|---|---|---|---|---|
| | Quantities Shipped | Quan. To Be Shipped | Quantity | Value |
| Total Materiel Program | - | - | - | $ 22,700 |
| Vessels | 56 | 53 | 5 | $ 27,400 |
| Major Combat | 5 | 1 | 3 | $ 15,800 |
| Patrol | 0 | 3 | 0 | $ 0 |
| Mine Vessels | 0 | 47 | 2 | $ 11,600 |
| Auxiliaries | 6 | 2 | 0 | $ 0 |
| Other | 45 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 1,400 |
| Aircraft - Total | 45 | 91 | 0 | $ 0 |
| Fighters | 18 | 0 | 0 | $ 0 |
| Bombers and Patrol | 27 | 91 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 1,400 |
| All Other | - | - | - | $ 3,900 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $168,739 |
| A/C Spares & Aero Equip. | - | - | - | $143,300 |
| Day Fighters - Total | 175 | 247 | 115 | $ 17,000 |
| Conventional | 175 | 0 | 0 | $ 0 |
| Jet | 0 | 247 | 115 | $ 17,000 |
| All Weather Fighters—Jet | 0 | 50 | 42 | $ 15,600 |
| Fighter Bombers - Jet | 232 | 84 | 183 | $ 62,071 |
| Reconnaissance - Total | 0 | 92 | 3 | $ 1,196 |
| Jet | 0 | 92 | 3 | $ 1,196 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 3 | 37 | 0 | $ 0 |
| Trainers - Total | 83 | 112 | 0 | $ 0 |
| Jet | 12 | 63 | 0 | $ 0 |
| Conventional | 71 | 49 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 47,433 |
| All Other | - | - | - | $ 25,439 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 4,171 | 2,129 | 217 | 1,264 |
| Army | 846 | 506 | 25 | 138 |
| Navy | 2,359 | 1,209 | 14 | 626 |
| Air Force | 966 | 414 | 178 | 500 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts.

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SECURITY INFORMATION

PROGRAM BY COUNTRY

LUXEMBOURG

(In thousands of dollars)

| ITEM | PROGRAM Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel and Training | | | |
| Materiel | | | - |
| Training | | | 9 |
| Total | | 10,500 a/ | 9 |
| Mutual Defense Financing | - | - | - |
| Total Country Estimate | | | 9 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.

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DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY LUXEMBOURG

**VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954**
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $3.3 | $.1 | $9.2 | $0 | $0 | $0 |
| Army | 3.3 | .1 | 9.2 | 0 | 0 | 0 |
| Navy | 0 | 0 | 0 | 0 | 0 | 0 |
| Air Force | 0 | 0 | 0 | 0 | 0 | 0 |

**MATERIEL PROGRAMS**
**QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954**
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program | | Proposed FY 1954 Program | |
|---|---|---|---|---|
| | Quantities Shipped | Quan. To Be Shipped | Quantity | Value |
| Total Materiel Program | - | - | - | $ 0 |
| Tanks and Combat Vehicles | - | - | - | $ 0 |
| Light Tanks | 0 | 0 | 0 | $ 0 |
| Medium Tanks | 0 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 25 | 27 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Motor Transport Vehicles | - | - | - | $ 0 |
| 1/4 Ton Truck | 154 | 12 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 105 | 0 | 0 | $ 0 |
| 2½ Ton Cargo | 89 | 120 | 0 | $ 0 |
| Other Trucks | 15 | 6 | 0 | $ 0 |
| Trailers | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Small Arms & Machine Guns | - | - | - | $ 0 |
| Total Pieces | 2,103 | 3 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Artillery | - | - | - | $ 0 |
| Total Pieces | 196 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Ammunition Small Arms & MG (Thous Rds) | 1,026 | 0 | 0 | $ 0 |
| Ammunition - Artillery (Thous Rds) | 14 | 218 | 0 | $ 0 |
| All Other | - | - | - | $ 0 |

| NAVY | FY 1950-53 Program | | Proposed FY 1954 Program | |
|---|---|---|---|---|
| | Quantities Shipped | Quan. To Be Shipped | Quantity | Value |
| Total Materiel Program | - | - | - | $ |
| Vessels | | | | $ |
| Major Combat | | | | $ |
| Patrol | | | | $ |
| Mine Vessels | | | | $ |
| Auxiliaries | | | | $ |
| Other | | | | $ |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ |
| Aircraft - Total | | | | $ |
| Fighters | | | | $ |
| Bombers and Patrol | | | | $ |
| Other | | | | $ |
| Other Aero Equipment | - | - | - | $ |
| All Other | - | - | - | $ |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ |
| A/C Spares & Aero Equip. | - | - | - | $ |
| Day Fighters - Total | | | | $ |
| Conventional | | | | $ |
| Jet | | | | $ |
| All Weather Fighters—Jet | | | | $ |
| Fighter Bombers - Jet | | | | $ |
| Reconnaissance - Total | | | | $ |
| Jet | | | | $ |
| Conventional | | | | $ |
| Bombers - Conventional | | | | $ |
| Transports - Conventional | | | | $ |
| Trainers - Total | | | | $ |
| Jet | | | | $ |
| Conventional | | | | $ |
| Other Aircraft | | | | $ |
| Initial Spares & Aero. Equip. Total | - | - | - | $ |
| All Other | - | - | - | $ |

**TRAINING PROGRAMS**
**FORMAL TRAINING COURSES (U. S. AND OVERSEAS)**

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 186 | 75 | 0 | 15 |
| Army | 186 | 75 | 0 | 15 |
| Navy | 0 | 0 | 0 | 0 |
| Air Force | 0 | 0 | 0 | 0 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts.

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[redacted] Security Information

SECRET
SECURITY INFORMATION

PROGRAM BY COUNTRY

NETHERLANDS

(In thousands of dollars)

| Item | Actual FY 1952 | Program Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel & Training | | | |
| Materiel | | | 85,400 |
| Training | | | 8,200 |
| Total | | 848,800 a/ | 93,600 |
| Mutual Defense Financing | - | - | - |
| Total Country Estimate | | | 93,600 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.



SECRET
SECURITY INFORMATION

[redacted] - Security Information

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY NETHERLANDS

**VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954**
**(Millions of Dollars)**

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $246.5 | $35.8 | $572.7 | $.1 | $85.4 | $0 |
| Army | 144.7 | 8.5 | 254.0 | 0 | 50.6 | 0 |
| Navy | 30.6 | 24.8 | 163.3 | 0 | 18.7 | 0 |
| Air Force | 71.2 | 2.5 | 156.4 | .1 | 16.1 | 0 |

**MATERIEL PROGRAMS**
**QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954**
**(Values in Thousands of Dollars)**

| ARMY | FY 1950-53 Program | | Proposed FY 1954 Program | |
|---|---|---|---|---|
| | Quantities Shipped | Quan. To Be Shipped | Quantity | Value |
| Total Materiel Program | - | - | - | $ 50,613 |
| Tanks and Combat Vehicles | - | - | - | $ 22,500 |
| Light Tanks | 61 | 38 | 0 | $ 0 |
| Medium Tanks | 80 | 18 | 116 | $ 12,760 |
| Other Combat Vehicles | 1,056 | 518 | 217 | $ 7,252 |
| Miscellaneous | - | - | - | $ 2,488 |
| Motor Transport Vehicles | - | - | - | $ 1,028 |
| 1/4 Ton Truck | 2,359 | 192 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 453 | 0 | 0 | $ 0 |
| 2½ Ton Cargo | 995 | 1 | 0 | $ 0 |
| Other Trucks | 716 | 273 | 89 | $ 794 |
| Trailers | 1,899 | 882 | 125 | $ 121 |
| Miscellaneous | - | - | - | $ 113 |
| Small Arms & Machine Guns | - | - | - | $ 391 |
| Total Pieces | 76,766 | 21,845 | 3,956 | $ 347 |
| Miscellaneous | - | - | - | $ 44 |
| Artillery | - | - | - | $13,863 |
| Total Pieces | 1,848 | 357 | 369 | $12,330 |
| Miscellaneous | - | - | - | $ 1,533 |
| Ammunition Small Arms & MG (Thous Rds) | 38,039 | 2,138 | 2,967 | $ 400 |
| Ammunition - Artillery (Thous Rds) | 1,440 | 2,245 | 49 | $ 2,431 |
| All Other | - | - | - | $10,000 |

| NAVY | FY 1950-53 Program | | Proposed FY 1954 Program | |
|---|---|---|---|---|
| | Quantities Shipped | Quan. To Be Shipped | Quantity | Value |
| Total Materiel Program | - | - | - | $ 18,700 |
| Vessels | 17 | 50 | 4 | $ 4,000 |
| Major Combat | 6 | 0 | 0 | $ 0 |
| Patrol | 0 | 12 | 0 | $ 0 |
| Mine Vessels | 0 | 38 | 4 | $ 4,000 |
| Auxiliaries | 1 | 0 | 0 | $ 0 |
| Other | 10 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 10,200 |
| Aircraft - Total | 18 | 79 | 11 | $ 10,200 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 18 | 70 | 11 | $ 10,200 |
| Other | 0 | 9 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 4,500 |

| AIR FORCE | FY 1950-53 Program | | Proposed FY 1954 Program | |
|---|---|---|---|---|
| | Quantities Shipped | Quan. To Be Shipped | Quantity | Value |
| Total Materiel Program | - | - | - | $ 16,149 |
| A/C Spares & Aero Equip. | - | - | - | $ 7,214 |
| Day Fighters - Total | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Vesther Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 189 | 54 | 13 | $ 4,409 |
| Reconnaissance - Total | 0 | 22 | 2 | $ 797 |
| Jet | 0 | 22 | 2 | $ 797 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 16 | 0 | 0 | $ 0 |
| Trainers - Total | 34 | 24 | 0 | $ 0 |
| Jet | 6 | 24 | 0 | $ 0 |
| Conventional | 28 | 0 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 2,008 |
| All Other | - | - | - | $ 8,935 |

**TRAINING PROGRAMS**
**FORMAL TRAINING COURSES (U. S. AND OVERSEAS)**

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 6,131 | 3,110 | 321 | 1,417 |
| Army | 1,644 | 1,159 | 42 | 236 |
| Navy | 3,159 | 1,152 | 21 | 819 |
| Air Force | 1,328 | 799 | 258 | 362 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts.

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[redacted] - Security Information

PROGRAM BY COUNTRY

NORWAY

(In thousands of dollars)

| ITEM | PROGRAM Actual FY 1952 | PROGRAM Estimate FY 1953 | PROGRAM Estimate FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel and Training | | | |
| Materiel | | | $16,800 |
| Training | | | 3,300 |
| Total | | 451,400 a/ | 20,100 |
| Mutual Defense Financing | | - | - |
| Total Country Estimate | | | 20,100 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.

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DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY NORWAY

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $179.1 | $15.1 | $265.6 | $2.7 | $16.8 | $0 |
| Army | 103.5 | 1.8 | 136.6 | 0 | 3.3 | 0 |
| Navy | 28.3 | 11.9 | 29.2 | 1.2 | 7.2 | 0 |
| Air Force | 47.3 | 1.4 | 99.8 | 1.5 | 6.3 | 0 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 3,309 |
| Tanks and Combat Vehicles | - | - | - | $ 165 |
| Light Tanks | 61 | 38 | 0 | $ 0 |
| Medium Tanks | 0 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 506 | 30 | 25 | $ 147 |
| Miscellaneous | - | - | - | $ 18 |
| Motor Transport Vehicles | - | - | - | $ 573 |
| 1/4 Ton Truck | 615 | 1,356 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 737 | 712 | 0 | $ 0 |
| 2½ Ton Cargo | 803 | 1,086 | 57 | $ 336 |
| Other Trucks | 835 | 547 | 20 | $ 154 |
| Trailers | 928 | 1,751 | 21 | $ 20 |
| Miscellaneous | - | - | - | $ 63 |
| Small Arms & Machine Guns | - | - | - | $ 197 |
| Total Pieces | 138,331 | 25,799 | 1,186 | $ 176 |
| Miscellaneous | - | - | - | $ 21 |
| Artillery | - | - | - | $ 582 |
| Total Pieces | 2,697 | 381 | 24 | $ 518 |
| Miscellaneous | - | - | - | $ 64 |
| Ammunition Small Arms & MG (Thous Rds) | 95,601 | 3,428 | 1,637 | $ 684 |
| Ammunition - Artillery (Thous Rds) | 1,314 | 3,156 | 20 | $ 248 |
| All Other | - | - | - | $ 860 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 7,200 |
| Vessels | 33 | 5 | 1 | $ 1,900 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 10 | 0 | 0 | $ 0 |
| Mine Vessels | 2 | 4 | 1 | $ 1,900 |
| Auxiliaries | 1 | 0 | 0 | $ 0 |
| Other | 20 | 1 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 5,300 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 6,295 |
| A/C Spares & Aero Equip. | - | - | - | $ * |
| Day Fighters - Total | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 102 | 134 | 25 | $ * |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 6 | 0 | $ 0 |
| Transports - Conventional | 10 | 0 | 0 | $ 0 |
| Trainers - Total | 5 | 10 | 0 | $ 0 |
| Jet | 5 | 10 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 0 |
| All Other | - | - | - | $ 6,295 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 2,757 | 1,891 | 241 | 624 |
| Army | 1,029 | 664 | 47 | 396 |
| Navy | 261 | 225 | 2 | 54 |
| Air Force | 1,467 | 1,002 | 192 | 174 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

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Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts.
* F-84G aircraft to be recovered from other Title I countries on their receipt of F-84F type currently programmed for them in FY 1950-53 Program.

[redacted] Security Information

PROGRAM BY COUNTRY

PORTUGAL

(In Thousands of Dollars)

| Item | Actual FY 1952 | Program Estimate FY 1954 | Estimate FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel Training | | | |
| Materiel | | | $18,900 |
| Training | | | 2,300 |
| Total | | 243,700 a/ | 21,200 |
| Mutual Defense Financing | - | - | - |
| | | | 21,200 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.

SECRET [redacted] Information

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY PORTUGAL

**VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954**
**(Millions of Dollars)**

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $71.8 | $6.3 | $169.6 | $4.7 | $18.9 | $1.7 |
| Army | 43.1 | * | 40.5 | 0 | 4.0 | 0 |
| Navy | 7.6 | 2.0 | 67.7 | 4.4 | 11.7 | 1.7 |
| Air Force | 21.1 | 4.3 | 61.4 | .3 | 3.2 | 0 |

**MATERIEL PROGRAMS**
**QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954**
**(Values in Thousands of Dollars)**

| ARMY | FY 1950-53 Program | | Proposed FY 1954 Program | |
|---|---|---|---|---|
| | Quantities Shipped | Quan. To Be Shipped | Quantity | Value |
| Total Materiel Program | - | - | - | $ 3,996 |
| Tanks and Combat Vehicles | - | - | - | $ 518 |
| Light Tanks | 9 | 0 | 3 | $ 356 |
| Medium Tanks | 123 | 17 | 0 | $ 0 |
| Other Combat Vehicles | 30 | 32 | 4 | $ 95 |
| Miscellaneous | - | - | - | $ 67 |
| Motor Transport Vehicles | - | - | - | $ 379 |
| 1/4 Ton Truck | 999 | 1,057 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 336 | 0 | 1 | $ 4 |
| 2½ Ton Cargo | 641 | 133 | 47 | $ 277 |
| Other Trucks | 129 | 50 | 7 | $ 56 |
| Trailers | 684 | 644 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 42 |
| Small Arms & Machine Guns | - | - | - | $ 166 |
| Total Pieces | 858 | 1,510 | 1,639 | $ 148 |
| Miscellaneous | - | - | - | $ 18 |
| Artillery | - | - | - | $ 62 |
| Total Pieces | 270 | 90 | 15 | $ 52 |
| Miscellaneous | - | - | - | $ 10 |
| Ammunition Small Arms & MG (Thous Rds) | 232 | 4,009 | 131 | $ 37 |
| Ammunition - Artillery (Thous Rds) | 123 | 331 | 78 | $ 2,476 |
| All Other | - | - | - | $ 358 |

| NAVY | FY 1950-53 Program | | Proposed FY 1954 Program | |
|---|---|---|---|---|
| | Quantities Shipped | Quan. To Be Shipped | Quantity | Value |
| Total Materiel Program | - | - | - | $ 13,400 |
| Vessels | 1 | 19 | 1 | $ 8,000 |
| Major Combat | 0 | 0 | 1 | $ 8,000 |
| Patrol | 0 | 6 | 0 | $ 0 |
| Mine Vessels | 1 | 13 | 0 | $ 0 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 3,200 |
| Aircraft - Total | 24 | 29 | 9 | $ 3,000 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 16 | 29 | 9 | $ 3,000 |
| Other | 8 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 200 |
| All Other | - | - | - | $ 2,200 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 3,196 |
| A/C Spares & Aero Equip. | - | - | - | $ ** |
| Day Fighters - Total | 50 | 0 | 0 | $ 0 |
| Conventional | 50 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 25 | 87 | 9 | $ * |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 0 | 0 | 0 | $ 0 |
| Trainers - Total | 22 | 13 | 0 | $ 0 |
| Jet | 2 | 13 | 0 | $ 0 |
| Conventional | 20 | 0 | 0 | $ 0 |
| Other Aircraft | 3 | 1 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 0 |
| All Other | - | - | - | $ 3,196 |

**TRAINING PROGRAMS**
**FORMAL TRAINING COURSES (U. S. AND OVERSEAS)**

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | $1,447 | 521 | 81 | 623 |
| Army | 303 | 144 | 18 | 221 |
| Navy | 652 | 100 | 20 | 292 |
| Air Force | 492 | 277 | 43 | 110 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts.
* Less than $50.000.
** F84G aircraft to be recovered from other Title I countries on their receipt of F84F type currently programmed for them in FY 1950-53 Program.

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SECRET - Security Information

SECURITY INFORMATION

PROGRAM BY COUNTRY

SPAIN

(In thousands of dollars)

| ITEM | PROGRAM Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel and Training | | | |
| Materiel | | | $ 89,544 |
| Training | | | 1,545 |
| Total | | $ 50,000 | 91,090 |
| Mutual Defense Financing | | | |
| Defense Support | $ 35.5 | 9.8 | 85 a/ |
| Total | | | 176,090 |

[redacted] Security Information

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY SPAIN

**VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954**
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | No approved program FY 1950-1953 | | | | $89.5 | $.6 |
| Army | | | | | 38.4 | 0 |
| Navy | | | | | 10.8 | 0 |
| Air Force | | | | | 40.3 | .6 |

**MATERIEL PROGRAMS**
**QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954**
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 38,400 |
| Tanks and Combat Vehicles | - | - | - | $ 17,448 |
| Light Tanks | 0 | 0 | 45 | $ 5,330 |
| Medium Tanks | 0 | 0 | 45 | $ 7,498 |
| Other Combat Vehicles | 0 | 0 | 59 | $ 1,732 |
| Miscellaneous | - | - | - | $ 2,888 |
| Motor Transport Vehicles | - | - | - | $ 1,180 |
| 1/4 Ton Truck | 0 | 0 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 0 | 0 | 0 | $ 0 |
| 2½ Ton Cargo | 0 | 0 | 160 | $ 942 |
| Other Trucks | 0 | 0 | 1 | $ 25 |
| Trailers | 0 | 0 | 19 | $ 18 |
| Miscellaneous | - | - | - | $ 195 |
| Small Arms & Machine Guns | - | - | - | $ 94 |
| Total Pieces | 0 | 0 | 217 | $ 79 |
| Miscellaneous | - | - | - | $ 15 |
| Artillery | - | - | - | $ 5,961 |
| Total Pieces | 0 | 0 | 215 | $ 5,863 |
| Miscellaneous | - | - | - | $ 98 |
| Ammunition Small Arms & MG (Thous Rds) | 0 | 0 | 300 | $ 142 |
| Ammunition - Artillery (Thous Rds) | 0 | 0 | 390 | $ 12,791 |
| All Other | - | - | - | $ 784 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 10,800 |
| Vessels | 0 | 0 | 0 | $ 0 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 0 | 0 | 0 | $ 0 |
| Mine Vessels | 0 | 0 | 0 | $ 0 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 10,800 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 40,970 |
| A/C Spares & Aero Equip. | - | - | - | $ 27,429 |
| Day Fighters - Total | | | 96 | $ 12,509 |
| Conventional | | | 0 | $ 0 |
| Jet | | | 96 | $ 12,509 |
| All Weather Fighters—Jet | | | 0 | $ 0 |
| Fighter Bombers - Jet | | | 0 | $ 0 |
| Reconnaissance - Total | | | 0 | $ 0 |
| Jet | | | 0 | $ 0 |
| Conventional | | | 0 | $ 0 |
| Bombers - Conventional | | | 0 | $ 0 |
| Transports - Conventional | | | 0 | $ 0 |
| Trainers - Total | | | 30 | $ 1,848 |
| Jet | | | 10 | $ 1,223 |
| Conventional | | | 20 | $ 625 |
| Other Aircraft | | | 2 | $ 1,011 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 12,061 |
| All Other | - | - | - | $ 13,541 |

**TRAINING PROGRAMS**
**FORMAL TRAINING COURSES (U. S. AND OVERSEAS)**

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 0 | 0 | 0 | 485 |
| Army | 0 | 0 | 0 | 376 |
| Navy | 0 | 0 | 0 | 48 |
| Air Force | 0 | 0 | 0 | 61 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts.

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SECRET
SECURITY INFORMATION

PROGRAM BY COUNTRY

TURKEY

(In Thousands of dollars)

| Item | Actual FY 1952 | PROGRAM Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel and Training | | | |
| Materiel | | | $222,900 |
| Training | | | 12,300 |
| Total | | 654,700 a/ | 235,200 |
| Mutual Defense Financing | | | |
| Defense Support | 70,000 b/ | 55,000 c/ | 50,000 |
| Total Country Estimate | | | $285,200 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.

b/ Includes $1.4 million unobligated balance of FY 1952 allotment.

c/ Excludes $1.4 million obligated in FY 1953 against FY 1952 allotment.



SECRET
SECURITY INFORMATION

SECRET - Security Information

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY TURKEY

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $239.1 | $28.4 | $374.3 | $10.1 | $222.9 | $0 |
| Army | 134.7 | 3.5 | 142.3 | 8.9 | 202.0 | 0 |
| Navy | 44.2 | 24.3 | 23.0 | 0 | 8.2 | 0 |
| Air Force | 60.2 | .6 | 209.0 | 1.2 | 12.8 | 0 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 202,000 |
| Tanks and Combat Vehicles | - | - | - | $ 65,001 |
| Light Tanks | 4 | 0 | 0 | $ 0 |
| Medium Tanks | 0 | 0 | 306 | $ 50,992 |
| Other Combat Vehicles | 560 | 74 | 97 | $ 4,482 |
| Miscellaneous | - | - | - | $ 9,527 |
| Motor Transport Vehicles | - | - | - | $ 43,685 |
| 1/4 Ton Truck | 3,911 | 367 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 0 | 875 | 0 | $ 0 |
| 2½ Ton Cargo | 3,075 | 872 | 3,553 | $ 20,917 |
| Other Trucks | 2,803 | 359 | 1,303 | $ 15,595 |
| Trailers | 2,712 | 1,174 | 506 | $ 762 |
| Miscellaneous | - | - | - | $ 6,411 |
| Small Arms & Machine Guns | - | - | - | $ 1,510 |
| Total Pieces | 10,092 | 380 | 343 | $ 89 |
| Miscellaneous | - | - | - | $ 1,421 |
| Artillery | - | - | - | $ 13,126 |
| Total Pieces | 475 | 51 | 423 | $ 11,200 |
| Miscellaneous | - | - | - | $ 1,926 |
| Ammunition Small Arms & MG (Thous Rds) | 33,296 | 6,321 | 85 | $ 6 |
| Ammunition - Artillery (Thous Rds) | 618 | 1,248 | 893 | $ 34,094 |
| All Other | - | - | - | $ 44,578 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 8,200 |
| Vessels | 11 | 1 | 1 | $ 2,600 |
| Major Combat | 2 | 0 | 1 | $ 2,600 |
| Patrol | 4 | 0 | 0 | $ 0 |
| Mine Vessels | 3 | 0 | 0 | $ 0 |
| Auxiliaries | 2 | 0 | 0 | $ 0 |
| Other | 0 | 1 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 5,600 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 12,768 |
| A/C Spares & Aero Equip. | - | - | - | $ 2,538 |
| Day Fighters - Total | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 191 | 233 | 54 | $ * |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 0 | 0 | 0 | $ 0 |
| Trainers - Total | 17 | 21 | 12 | $ 1,468 |
| Jet | 17 | 21 | 12 | $ 1,468 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 1,070 |
| All Other | - | - | - | $ 10,230 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 2,377 | 1,608 | 156 | 1,082 |
| Army | 572 | 430 | 14 | 466 |
| Navy | 1,214 | 786 | 78 | 306 |
| Air Force | 591 | 392 | 64 | 310 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts

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* F84G aircraft to be recovered from Title I countries on their receipt of F84F type currently programmed for them in their FY 1950-53 program.

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SECRET
SECURITY INFORMATION

PROGRAM BY COUNTRY

UNITED KINGDOM

(In thousands of dollars)

| Item | PROGRAMS Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel and Training | | | |
| Materiel | | | $247,600 |
| Training | | | 3,500 |
| TOTAL | | $779,800 a/ | 251,100 |
| Mutual Defense Financing | | | |
| (a) Defense Support | $350,000 b/ | 409,000 c/ | 100,000 |
| (b) Special Defense Financing | - | - | 100,000 d/ |
| Total Country Estimate | | | 451,100 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.

b/ Includes $50 million pursuant to Katz-Gaitskell agreement of July 7, 1950.

c/ Includes $41,9 million pursuant to Katz-Gaitskell agreement of July 7, 1950.

d/ NATO aircraft production.

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY UNITED KINGDOM

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $169.2 | $77.1 | $610.5 | $2.5 | $247.6 | $0 |
| Army | 54.2 | .8 | 194.1 | 0 | 137.9 | 0 |
| Navy | 18.2 | 13.7 | 124.3 | 2.5 | 92.8 | 0 |
| Air Force | 96.8 | 62.6 | 292.1 | 0 | 16.9 | 0 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 137,889 |
| Tanks and Combat Vehicles | - | - | - | $ 2,019 |
| Light Tanks | 0 | 0 | 0 | $ 0 |
| Medium Tanks | 0 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 979 | 428 | 14 | $ 1,796 |
| Miscellaneous | - | - | - | $ 223 |
| Motor Transport Vehicles | - | - | - | $ 14,319 |
| 1/4 Ton Truck | 0 | 0 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 0 | 0 | 0 | $ 0 |
| 2½ Ton Cargo | 0 | 0 | 0 | $ 0 |
| Other Trucks | 216 | 172 | 1,005 | $ 12,734 |
| Trailers | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 1,585 |
| Small Arms & Machine Guns | - | - | - | $ 0 |
| Total Pieces | 6,484 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Artillery | - | - | - | $ 2,608 |
| Total Pieces | 0 | 380 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 2,608 |
| Ammunition Small Arms & MG (Thous Rds) | 0 | 0 | 887 | $ 371 |
| Ammunition - Artillery (Thous Rds) | 0 | 495 | 4,702 | $ 33,059 |
| All Other | - | - | - | $ 85,513 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 92,800 |
| Vessels | 1 | 0 | 0 | $ 0 |
| Major Combat | 1 | 0 | 0 | $ 0 |
| Patrol | 0 | 0 | 0 | $ 0 |
| Mine Vessels | 0 | 0 | 0 | $ 0 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 52,700 |
| Aircraft - Total | 116 | 228 | 149 | $ 38,800 |
| Fighters | 0 | 107 | 125 | $ 17,400 |
| Bombers and Patrol | 106 | 78 | 8 | $ 5,100 |
| Other | 10 | 43 | 16 | $ 16,300 |
| Other Aero Equipment | - | - | - | $ 13,900 |
| All Other | - | - | - | $ 40,100 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 16,862 |
| A/C Spares & Aero Equip. | - | - | - | $ 0 |
| Day Fighters - Total | 0 | 60 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Jet * | 0 | 60 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 0 | 0 | 0 | $ 0 |
| Reconnaissance - Total | 3 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 3 | 0 | 0 | $ 0 |
| Bombers - Conventional | 132 | 4 | 0 | $ 0 |
| Transports - Conventional | 0 | 0 | 0 | $ 0 |
| Trainers - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 0 |
| All Other | - | - | - | $ 16,862 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 902 | 289 | 225 | 183 |
| Army | 160 | 62 | 0 | 41 |
| Navy | 329 | 99 | 144 | 126 |
| Air Force | 413 | 128 | 81 | 16 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts.
* Excludes U.S. GFP for 370 F-86 aircraft being assembled in Canada (joint U.S. - Canadian project).

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PROGRAM BY COUNTRY

YUGOSLAVIA

(In thousands of dollars)

| Item | Program Actual FY 1952 | Program Estimate FY 1953 | Program Estimate FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel and Training | | | |
| Materiel | | | $ 215,000 |
| Training | | | 1,000 |
| Total | | $ 600,700 a/ | 216,000 |
| Mutual Defense Financing | | | |
| Defense Support | $ 80,250 b/ | 121,750 | 45,000 |
| Total Country Estimate | | | 261,000 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.

b/ Excludes $1.1 million unobligated balance of Military Assistance Funds available in FY 1952.

SECRET - Security Information

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY YUGOSLAVIA

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $190.2 | $15.4 | $353.1 | $20.3 | $215.0 | $0 |
| Army | 151.2 | 2.1 | 149.6 | 19.1 | 110.0 | 0 |
| Navy | 10.0 | 2.1 | 22.4 | .1 | 5.4 | 0 |
| Air Force | 29.0 | 11.2 | 181.1 | 1.1 | 99.6 | 0 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 110,000 |
| Tanks and Combat Vehicles | - | - | - | $ 42,039 |
| Light Tanks | 0 | 0 | 0 | $ 0 |
| Medium Tanks | 456 | 240 | 194 | $ 32,328 |
| Other Combat Vehicles | 1,234 | 556 | 163 | $ 5,274 |
| Miscellaneous | - | - | - | $ 4,437 |
| Motor Transport Vehicles | - | - | - | $ 16,944 |
| 1/4 Ton Truck | 811 | 0 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 161 | 299 | 0 | $ 0 |
| 2½ Ton Cargo | 1,488 | 2,008 | 2,159 | $ 12,710 |
| Other Trucks | 324 | 219 | 287 | $ 2,396 |
| Trailers | 0 | 104 | 52 | $ 50 |
| Miscellaneous | - | - | - | $ 1,788 |
| Small Arms & Machine Guns | - | - | - | $ 608 |
| Total Pieces | 27,180 | 0 | 2,091 | $ 545 |
| Miscellaneous | - | - | - | $ 63 |
| Artillery | - | - | - | $ 12,566 |
| Total Pieces | 946 | 762 | 357 | $ 11,240 |
| Miscellaneous | - | - | - | $ 1,326 |
| Ammunition Small Arms & MG (Thous Rds) | 45,050 | 13,536 | 2,879 | $ 825 |
| Ammunition - Artillery (Thous Rds) | 165 | 1,277 | 1,065 | $ 28,607 |
| All Other | - | - | - | $ 8,411 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 5,400 |
| Vessels | 7 | 4 | 2 | $ 3,700 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 7 | 1 | 0 | $ 0 |
| Mine Vessels | 0 | 3 | 2 | $ 3,700 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 1,700 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 99,631 |
| A/C Spares & Aero Equip. | - | - | - | $ 74,364 |
| Day Fighters - Total | 125 | 1 | 90 | $ 37,528 |
| Conventional | 125 | 1 | 0 | $ 0 |
| Jet | 0 | 0 | 90 | $ 37,528 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 25 | 276 | 40 | $ * |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 0 | 20 | 0 | $ 0 |
| Trainers - Total | 5 | 15 | 20 | $ 2,446 |
| Jet | 5 | 15 | 20 | $ 2,446 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $34,390 |
| All Other | - | - | - | $25,267 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 759 | 219 | 121 | 541 |
| Army | 417 | 76 | 60 | 421 |
| Navy | 72 | 5 | 11 | 35 |
| Air Force | 270 | 138 | 50 | 85 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts.
* F84G aircraft to be recovered from other Title I countries on their receipt of F84F type currently programmed for them in FY 1950-53 Program.

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SECRET - Security Information

SECRET
SECURITY INFORMATION

DISTRIBUTION OF FY 1954 PROGRAM
BY AREA AND COUNTRY

(In thousands of dollars)

| | I | II | III | IV | | | V | |
|---|---|---|---|---|---|---|---|---|
| | | | | Mutual Develop. & Tech. Progress | | | | |
| Area and Country | Mutual Def. Materiel & Training | Mutual Defense Financing | Mutual Spec.Wpns. Planning | Tech.Prog. & Develop. Programs | Basic Materials Develop. | Spec. Econ. Assistance | Multi-lateral Orgns. | Total |
| NEAR EAST & AFRICA | $430,641.8 | - | | $43,792.5 | | $194,000.0 | | $668,434.3 |
| Egypt | | | | 11,876.0 | | | | 11,876.0 |
| Ethiopia | | | | 1,631.0 | | | | 1,631.0 |
| Greece (Defense) | 47,934.5 | | | - | | | | 47,934.5 |
| Iran | 14,197.3 | | | 13,907.0 | | | | 28,104.3 |
| Iraq | | | | 2,237.0 | | | | 2,237.0 |
| Israel | | | | 1,521.0 | | | | 1,521.0 |
| Jordan | | | | 2,258.0 | | | | 2,258.0 |
| Lebanon | | | | 2,852.0 | | | | 2,852.0 |
| Liberia | | | | 1,283.5 | | | | 1,283.5 |
| Libya | | | | 1,534.0 | | | | 1,534.0 |
| Saudi Arabia | | | | 742.0 | | | | 742.0 |
| Syria | | | | 2,937.0 | | | | 2,937.0 |
| Turkey (Defense) | 235,280.8 | | | - | | | | 235,280.8 |
| Regional Projects | - | | | 1,014.0 | | | | 1,014.0 |
| Undistributed | 133,229.2 | | | | | 194,000.0 | | 327,229.2 |

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SECRET
SECURITY INFORMATION

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DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY NEAR EAST AND AFRICA

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $516.2 | $63.9 | $653.0 | $20.1 | $280.5 | $0 |
| Army | 303.2 | 8.6 | 323.0 | 15.8 | 241.0 | 0 |
| Navy | 81.4 | 52.8 | 33.3 | 2.1 | 16.3 | 0 |
| Air Force | * 131.6 | 2.5 | 296.7 | 2.2 | 23.5 | 0 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $241,000 |
| Tanks and Combat Vehicles | - | - | - | $ 65,729 |
| Light Tanks | 163 | 1 | 0 | $ 0 |
| Medium Tanks | 45 | 0 | 306 | $ 50,992 |
| Other Combat Vehicles | 1,177 | 441 | 112 | $ 4,914 |
| Miscellaneous | - | - | - | $ 9,823 |
| Motor Transport Vehicles | - | - | - | $ 64,057 |
| 1/4 Ton Truck | 6,568 | 367 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 2,635 | 879 | 0 | $ 0 |
| 2½ Ton Cargo | 4,792 | 2,159 | 5,373 | $ 31,631 |
| Other Trucks | 4,077 | 806 | 1,854 | $ 19,788 |
| Trailers | 3,358 | 1,315 | 1,091 | $ 1,328 |
| Miscellaneous | - | - | - | $ 11,310 |
| Small Arms & Machine Guns | - | - | - | $ 2,042 |
| Total Pieces | 41,550 | 5,496 | 3,957 | $ 248 |
| Miscellaneous | - | - | - | $ 1,794 |
| Artillery | - | - | - | $ 16,778 |
| Total Pieces | 2,985 | 612 | 773 | $ 13,901 |
| Miscellaneous | - | - | - | $ 2,877 |
| Ammunition Small Arms & MG (Thous Rds) | 93,669 | 26,030 | 3,110 | $ 517 |
| Ammunition - Artillery (Thous Rds) | 1,467 | 4,144 | 1,133 | $ 42,141 |
| All Other | - | - | - | $ 49,736 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 16,300 |
| Vessels | 44 | 9 | 1 | $ 2,600 |
| Major Combat | 8 | 0 | 1 | $ 2,600 |
| Patrol | 5 | 0 | 0 | $ 0 |
| Mine Vessels | 17 | 2 | 0 | $ 0 |
| Auxiliaries | 2 | 0 | 0 | $ 0 |
| Other | 12 | 7 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 2 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 2 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 13,700 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 23,406 |
| A/C Spares & Aero Equip. | - | - | - | $ 4,546 |
| Day Fighters - Total | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 332 | 320 | 68 | $ 0 |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 0 | 0 | 0 | $ 0 |
| Trainers - Total | 27 | 105 | 17 | $ 2,080 |
| Jet | 25 | 43 | 17 | $ 2,080 |
| Conventional | 2 | 62 | 0 | $ 0 |
| Other Aircraft | 5 | 1 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 2,466 |
| All Other | - | - | - | $ 18,860 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 6,812 | 4,703 | 451 | 2,258 |
| Army | 2,724 | 1,528 | 191 | 1,495 |
| Navy | 2,522 | 1,991 | 102 | 335 |
| Air Force | 1,566 | 1,184 | 158 | 428 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts.
* Includes $3.3 million of spare parts shipped to AF depot, Europe.

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INDIVIDUAL COUNTRY DATA
NEAR EAST AND AFRICA
SUMMARY BY MAJOR COST COMPONENTS
(In thousands of dollars)

Country: EGYPT

| Programs by Fiscal Year | Total | Supplies & Equipment | Local Costs | Services | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | Total Service Cost | U.S. Technicians No. of Persons | U.S. Technicians Cost | Trainees No. of Persons | Trainees Cost |
| Technical Progress and Development | | | | | | | | |
| 1952 | 326 | 100 | 3 | 223 | 23 | 114 | 46 | 109 |
| 1953 | 12,872 | 6,116 | 5,597 | 1,159 | 58 | 891 | 60 | 268 |
| 1954 | 11,876 | 4,883 | 4,622 | 2,371 | 153 | 1,790 | 192 | 581 |
| Special Economic Assistance | (UNDISTRIBUTED) | | | | | | | |
| 1952 | — | | | | | | | |
| 1953 | -- | | | | | | | |
| 1954 | 24,800 - 39,700 | | | | | | | |
| **Total All Programs** | | | | | | | | |
| 1952 | 326 | 100 | 3 | 223 | 23 | 114 | 46 | 109 |
| 1953 | 12,872 | 6,116 | 5,597 | 1,159 | 58 | 891 | 60 | 268 |
| 1954 | 36,676 - 51,576 (undistributed) | | | | | | | |

(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)

SECRET - Security Information

Country: EGYPT

INDIVIDUAL COUNTRY DATA
NEAR EAST AND AFRICA
SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul. Forestry & Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) Gen. Proj. | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 326 | 149 | - | 40 | 22 | - | 26 | 79 | - | 10 |
| 1953 | 12872 | 865 | 468 | 175 | 416 | 235 | 124 | 116 | 10235 | 238 |
| 1954 | 11876 | 2181 | 1383 | 607 | 1354 | 518 | 271 | 50 | 5299 | 213 |
| Special Economic Assistance | (Undistributed) | | | | | | | | | |
| 1952 | | | | | | | | | | |
| 1953 | | | | | | | | | | |
| 1954 | 24800 to 39700 | | | | | | | | | |
| Total All Programs | | | | | | | | | | |
| 1952 | 326 | 149 | — | 40 | 22 | — | 26 | 79 | — | 10 |
| 1953 | 12872 | 865 | 468 | 175 | 416 | 235 | 124 | 116 | 10235 | 238 |
| 1954 | 36676 to 51,576 | (undistributed) | | | | | | | | |

(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)

Country: ETHIOPIA

INDIVIDUAL COUNTRY DATA
NEAR EAST AND AFRICA
SUMMARY BY MAJOR COST COMPONENTS

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Local Costs | Services | | | Trainees | |
|---|---|---|---|---|---|---|---|---|
| | | | | Total Service Cost | U.S. Technicians No. of Persons | U.S. Technicians Cost | No. of Persons | Cost |
| Technical Progress and Development | | | | | | | | |
| 1952 | 1,072 | 331 | 437 | 304 | 2 | 290 | -- | 14 |
| 1953 | 1,384 | 175 | 443 | 766 | 60 | 757 | 6 | 9 |
| 1954 | 1,631 | 456 | 154 | 1,021 | 76 | 962 | 21 | 59 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | (1) Total U.S. Cost | (2) Agricul. Forestry & Fisheries | (3) Health and Sanitation | (4) Education | (5) Natural Resources | (6) Industry Trade Labor | (7) Transp. and Comm. | (8) Pub. Adm. | (9) Gen. Proj. | Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 1,072 | 860 | 3 | 100 | 82 | -- | -- | -- | -- | 27 |
| 1953 | 1,384 | 578 | 116 | 174 | 115 | 82 | 23 | 54 | 212 | 30 |
| 1954 | 1,631 | 806 | 141 | 188 | 125 | 82 | -- | 35 | 220 | 34 |

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY IRAN

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $38.0 | $.9 | $50.5 | $1.9 | $11.4 | $0 |
| Army | 36.7 | .5 | 43.4 | 1.9 | 9.0 | 0 |
| Navy | 0 | 0 | .7 | * | .8 | 0 |
| Air Force | 1.3 | .4 | 6.4 | 0 | 1.7 | 0 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 9,000 |
| Tanks and Combat Vehicles | - | - | - | $ 122 |
| Light Tanks | 0 | 0 | 0 | $ 0 |
| Medium Tanks | 45 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 64 | 57 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 122 |
| Motor Transport Vehicles | - | - | - | $ 4,998 |
| 1/4 Ton Truck | 1,614 | 0 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 1,073 | 0 | 0 | $ 0 |
| 2½ Ton Cargo | 672 | 238 | 389 | $ 2,290 |
| Other Trucks | 174 | 199 | 176 | $ 1,658 |
| Trailers | 317 | 141 | 411 | $ 398 |
| Miscellaneous | - | - | - | $ 652 |
| Small Arms & Machine Guns | - | - | - | $ 309 |
| Total Pieces | 1,500 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 309 |
| Artillery | - | - | - | $ 627 |
| Total Pieces | 729 | 175 | 306 | $ 545 |
| Miscellaneous | - | - | - | $ 82 |
| Ammunition Small Arms & MG (Thous Rds) | 86 | 349 | 0 | $ 2 |
| Ammunition - Artillery (Thous Rds) | 125 | 382 | 108 | $ 333 |
| All Other | - | - | - | $ 2,609 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 800 |
| Vessels | 0 | 6 | 0 | $ 0 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 0 | 0 | 0 | $ 0 |
| Mine Vessels | 0 | 0 | 0 | $ 0 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 0 | 6 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 2 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 2 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 800 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 1,684 |
| A/C Spares & Aero Equip. | - | - | - | $ 600 |
| Day Fighters - Total | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 0 | 0 | 0 | $ 0 |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 0 | 0 | 0 | $ 0 |
| Trainers - Total | 2 | 45 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 2 | 45 | 0 | $ 0 |
| Other Aircraft | 5 | 1 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 600 |
| All Other | - | - | - | $ 1,084 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 1,097 | 561 | 156 | 577 |
| Army | 762 | 314 | 124 | 490 |
| Navy | 0 | 0 | 0 | 10 |
| Air Force | 335 | 247 | 32 | 77 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts

* Less than $50,000

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INDIVIDUAL COUNTRY DATA
NEAR EAST AND AFRICA
SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul. Forestry & Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) Gen. Proj. | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 23,763 | 6048 | 8645 | 1886 | 457 | 3964 | 1565 | 114 | 525 | 559 |
| 1953 | 23,124 | 3996 | 6193 | 2743 | 861 | 3028 | 985 | 1009 | 3861 | 448 |
| 1954 | 13,907 | 4436 | 3341 | 2135 | 1547 | 1154 | 472 | 476 | 70 | 276 |
| Special Economic Assistance | | | | | | | | | | |
| 1952 | | | | | | | | | | |
| 1953 | 1/ | | | | | | | | | |
| 1954 | 11,000 - 20,000 | 1170 | 1600 | 815 | 3065 | 3550 | 800 | - | - | - |
| Total All Programs | | | | | | | | | | |
| 1952 | 23,763 | 6048 | 8645 | 1886 | 457 | 3964 | 1565 | 114 | 525 | 559 |
| 1953 | 23,124 | 3996 | 6193 | 2743 | 861 | 3028 | 985 | 1009 | 3861 | 448 |
| 1954 | 24,907 - 33,907 | 5606 | 4941 | 2950 | 4612 | 4704 | 1272 | 476 | 70 | 276 |

1/ This portion of Special Economic Aid minimum required and broken down by field of activity.

COUNTRY PROGRAM SUMMARY
(In Thousands of dollars)

| | 1953 | 1954 |
|---|---|---|
| Mutual Defense Materiel and Training | 94,219.5 a/ | 14,197.3 |
| Technical Progress and Development | 23,124.0 | 24,907.0 |
| | | 39,104.3 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.

(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)

INDIVIDUAL COUNTRY DATA
NEAR EAST AND AFRICA
SUMMARY BY MAJOR COST COMPONENTS
(In thousands of dollars)

Country: IRAN

| Programs by Fiscal Year | Total | Supplies & Equipment | Local Costs | Services | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | | No. of Persons | Cost | No. of Persons | Cost |
| **Technical Progress and Development** | | | | | | | | |
| 1952 | 23,763 | 13,098 | 9,545 | 1,120 | 70 | 593 | 57 | 527 |
| 1953 | 23,124 | 10,504 | 10,371 | 2,249 | 156 | 1,659 | 155 | 590 |
| 1954 | 13,907 | 3,079 | 7,251 | 3,577 | 255 | 3,064 | 96 | 513 |
| **Special Economic Assistance** | (Undistributed) | | | | | | | |
| 1952 | -- | | | | | | | |
| 1953 | -- | | | | | | | |
| 1954 | 11,000[1/] 20,000 | | | | | | | |
| **Total All Programs** | | | | | | | | |
| 1952 | 23,763 | 13,098 | 9,545 | 1,120 | 70 | 593 | 57 | 527 |
| 1953 | 23,124 | 10,504 | 10,371 | 2,249 | 156 | 1,659 | 155 | 590 |
| 1954 | 24,907 - 33,907 (Undistributed) | | | | | | | |

1/ This portion of special economic aid minimum required and broken down by field of activity but not by cost component.

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(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)

INDIVIDUAL COUNTRY DATA
NEAR EAST AND AFRICA
SUMMARY BY MAJOR COST COMPONENTS
(In thousands of dollars)

Country: IRAQ

| Programs by Fiscal Year | Total | Supplies & Equipment | Local Costs | Services | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | | No. of Persons | Cost | No. of Persons | Cost |
| Technical Progress and Development | | | | | | | | |
| 1952 | 359 | 16 | 3 | 340 | 22 | 187 | 41 | 153 |
| 1953 | 1,870 | 442 | 158 | 1,270 | 80 | 1,110 | 38 | 160 |
| 1954 | 2,237 | 361 | 475 | 1,401 | 104 | 1,179 | 51 | 222 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul. Forestry & Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry & Trade | (6) Transp. and Comm. | (7) Pub. Admin. | (8) Gen. Projects | (9) Domes. Prog. Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 359 | 110 | 63 | 45 | 94 | 8 | 2 | 28 | — | 9 |
| 1953 | 1,870 | 423 | 199 | 284 | 174 | 109 | 202 | 46 | 393 | 40 |
| 1954 | 2,237 | 387 | 373 | 359 | 205 | 49 | 186 | 84 | 551 | 43 |

INDIVIDUAL COUNTRY DATA
NEAR EAST AND AFRICA
SUMMARY BY MAJOR COST COMPONENTS
(In thousands of dollars)

Country: Israel

| Programs by Fiscal Year | Total | Supplies & Equipment | Local Costs | Services | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | Total Service Cost | U. S. Technicians No. of Persons | U. S. Technicians Cost | Trainees No. of Persons | Trainees Cost |
| Technical Progress and Development | | | | | | | | |
| 1952 | 835 | 621 | 147 | 67 | 5 | 39 | 3 | 28 |
| 1953 | 2,470 | 1,119 | 784 | 567 | 49 | 382 | 52 | 185 |
| 1954 | 1,521 | 446 | 14 | 1,061 | 72 | 845 | 60 | 216 |
| Special Economic Assistance | | | | | | | | |
| 1952 | 63,500 | 63,500 | | | | | | |
| 1953 | 70,228 | 70,228 | | | | | | |
| 1954 | 55,000 - 70,000 | 55,000 - 70,000 | | | | | | |
| Total All Programs | | | | | | | | |
| 1952 | 64,335 | 64,121 | 147 | 67 | 5 | 39 | 3 | 28 |
| 1953 | 72,698 | 71,347 | 784 | 567 | 49 | 382 | 52 | 185 |
| 1954 | 56,521 - 71,521 | 55,446 - 70,446 | 14 | 1,061 | 72 | 845 | 60 | 216 |

**SUMMARY BY MAJOR PROJECT CATEGORY**

**(In thousands of dollars)**

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul. Forestry & Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 835 | 33 | 18 | 540 | 54 | 124 | 37 | - | 2 | 27 |
| 1953 | 2470 | 419 | 317 | 341 | 220 | 316 | 124 | 224 | 459 | 50 |
| 1954 | 1521 | 356 | 151 | 306 | 117 | 225 | 137 | 142 | 53 | 34 |
| Special Economic Assistance | | | | | | | | | | |
| 1952 | 63,500 | 8010 | 2400 | - | 2078 | 15,900 | - | - | 35,112 | 0 |
| 1953 | 70,228 | 7208 | 6750 | - | 5700 | 23,755 | 3915 | - | 22,900 | - |
| 1954 | 55,000 - 70,000 | (Undistributed) | | | | | | | | |
| Total All Programs | | | | | | | | | | |
| 1952 | 64,335 | 8043 | 2418 | 540 | 2132 | 16,024 | 37 | - | 35,114 | 27 |
| 1953 | 72,698 | 7627 | 7067 | 341 | 5920 | 24,071 | 4039 | 224 | 23,359 | 50 |
| 1954 | 56,521 - 71,521 | (Undistributed) | | | | | | | | |

(Page may be declassified upon removal of specific figures with respect to Special Economic Aid)

INDIVIDUAL COUNTRY DATA
NEAR EAST AND AFRICA
SUMMARY BY MAJOR COST COMPONENTS
(In thousands of dollars)

Country: Jordan

| Programs by Fiscal Year | Total | Supplies & Equipment | Local Costs | Services | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | Total Service Cost | U. S. Technicians No. of Persons | U. S. Technicians Cost | Trainees No. of Persons | Trainees Cost |
| Technical Progress and Development | | | | | | | | |
| 1952 | 3,437 | 1,231 | 1,970 | 236 | 11 | 94 | — | 142 |
| 1953 | 2,695 | 942 | 1,216 | 537 | 34 | 455 | 23 | 82 |
| 1954 | 2,258 | 625 | 636 | 997 | 69 | 822 | 41 | 175 |
| Special Economic Assistance | | | | | | | | |
| 1952 | 1,264 | 1,264 | | | | | | |
| 1953 | — | — | | | | | | |
| 1954 | 16,700 - 18,700 | (undistributed) | | | | | | |
| Total All Programs | | | | | | | | |
| 1952 | 4,701 | 2,495 | 1,970 | 236 | 11 | 94 | — | 142 |
| 1953 | 2,695 | 942 | 1,216 | 537 | 34 | 455 | 23 | 82 |
| 1954 | 18,958 - 20,958 | (undistributed) | | | | | | |

(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)

~~SECRET - Security Information~~

Country: Jordan

INDIVIDUAL COUNTRY DATA
NEAR EAST AND AFRICA
SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul. Forestry & Fisheries | (2) Health and Sanitation | (3) Education | (4) National Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 3437 | 388 | 392 | 441 | 1449 | 210 | 320 | 55 | 100 | 82 |
| 1953 | 2695 | 648 | 302 | 405 | 725 | 234 | 119 | 207 | - | 55 |
| 1954 | 2258 | 375 | 246 | 299 | 890 | 327 | 40 | 36 | - | 45 |
| Special Economic Assistance | 1/ | | | | | | | | | |
| 1952 | 1264 | - | - | - | - | - | - | - | 1264 | - |
| 1953 | - | - | - | - | - | - | - | - | - | - |
| 1954 | 16,700 - 18,700 | (Undistributed) | | | | | | | | |
| Total All Programs | | | | | | | | | | |
| 1952 | 4701 | 388 | 392 | 441 | 1449 | 210 | 320 | 55 | 1364 | 82 |
| 1953 | 2695 | 648 | 302 | 405 | 725 | 234 | 119 | 207 | - | 55 |
| 1954 | 18,958 - 20,958 | (Undistributed) | | | | | | | | |

1/ For special wheat purchase

**(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)**

~~SECRET - Security Information~~

Country: LEBANON

INDIVIDUAL COUNTRY DATA
NEAR EAST AND AFRICA
SUMMARY BY MAJOR COST COMPONENTS

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Local Costs | Services | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | Total Service Cost | U.S. Technicians No. of Persons | U.S. Technicians Cost | Trainees No. of Persons | Trainees Cost |
| **Technical Progress and Development** | | | | | | | | |
| 1952 | 3,397 | 1,200 | 1,783 | 414 | 51 | 357 | 12 | 57 |
| 1953 | 725 | — | 47 | 678 | 60 | 674 | — | 4 |
| 1954 | 2,852 | 813 | 915 | 1,124 | 70 | 843 | 52 | 281 |
| **Special Economic Assistance** | (Undistributed) | | | | | | | |
| 1952 | — | | | | | | | |
| 1953 | — | | | | | | | |
| 1954 | 4,500 - 5,000 | | | | | | | |
| **Total All Programs** | | | | | | | | |
| 1952 | 3,397 | 1,200 | 1,783 | 414 | 51 | 357 | 12 | 57 |
| 1953 | 725 | — | 47 | 678 | 60 | 674 | — | 4 |
| 1954 | 7,352 - 7,852 (undistributed) | | | | | | | |

(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)

~~SECRET~~ Security Information

Country: Lebanon

INDIVIDUAL COUNTRY DATA
NEAR EAST AND AFRICA
SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul. Forestry & Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 3397 | 731 | 339 | 224 | 1765 | 104 | 36 | 109 | 7 | 82 |
| 1953 | 725 | 176 | 120 | 56 | 297 | 15 | - | - | 41 | 20 |
| 1954 | 2852 | 650 | 360 | 236 | 514 | 200 | - | 50 | 790 | 52 |
| Special Economic Assistance | (Undistributed) | | | | | | | | | |
| 1952 | | | | | | | | | | |
| 1953 | | | | | | | | | | |
| 1954 | 4500 - 5000 | | | | | | | | | |
| **Total All Programs** | | | | | | | | | | |
| **1952** | **3397** | **731** | **339** | **224** | **1765** | **104** | **36** | **109** | **7** | **82** |
| **1953** | **725** | **176** | **120** | **56** | **297** | **15** | **—** | **—** | **41** | **20** |
| **1954** | **7352 - 7852** | **(Undistributed)** | | | | | | | | |

(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)

Country: Liberia

INDIVIDUAL COUNTRY DATA
NEAR EAST AND AFRICA
SUMMARY BY MAJOR COST COMPONENTS

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Local Costs | Services | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | | No. of Persons | Cost | No. of Persons | Cost |
| **Technical Progress and Development** | | | | | | | | |
| 1952 | 773 | 285 | 8 | 480 | 62 | 465 | — | 15 |
| 1953 | 1,564 | 321 | 421 | 822 | 49 | 806 | 5 | 16 |
| 1954 | 1,284 | 99 | 266 | 919 | 81 | 895 | 6 | 24 |

INDIVIDUAL COUNTRY DATA

(In thousands of dollars)

| Programs by Fiscal Year | Total U. S. Cost | (1) Agricul. Forestry & Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Programs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 773 | 215 | 217 | 94 | 126 | - | 85 | 7 | 2 | 27 |
| 1953 | 1564 | 270 | 486 | 170 | 421 | - | 145 | 42 | - | 30 |
| 1954 | 1284 | 318 | 312 | 111 | 136 | - | 239 | 142 | - | 26 |

INDIVIDUAL COUNTRY DATA
NEAR EAST AND AFRICA
SUMMARY BY MAJOR COST COMPONENTS
(Thousands of dollars)

Country: Libya

| Programs by Fiscal Year | Total | Supplies & Equipment | Local Costs | Services | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | Total Service Cost | U.S. Technicians No. of Persons | U.S. Technicians Cost | Trainees No. of Persons | Trainees Cost |
| Technical Progress and Development | | | | | | | | |
| 1952 | 1,473 | 1,012 | 334 | 127 | 16 | 108 | — | 19 |
| 1953 | 1,158 | 234 | 436 | 488 | 42 | 424 | 23 | 64 |
| 1954 | 1,534 | 421 | 478 | 635 | 51 | 564 | 26 | 71 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul. Forestry & Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 1473 | 477 | 118 | 692 | 148 | - | - | - | 1 | 37 |
| 1953 | 1158 | 360 | 160 | 364 | 125 | - | - | - | 129 | 20 |
| 1954 | 1534 | 540 | 255 | 517 | 178 | 10 | - | - | - | 34 |

INDIVIDUAL COUNTRY DATA
NEAR EAST AND AFRICA
SUMMARY BY MAJOR COST COMPONENTS
(In thousands of dollars)

Country: Saudi Arabia

| Programs by Fiscal Year | Total | Supplies & Equipment | Local Costs | Services | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | | No. of Persons | Cost | No. of Persons | Cost |
| Technical Progress and Development | | | | | | | | |
| 1952 | 171 | 94 | 2 | 75 | 15 | 62 | -- | 13 |
| 1953 | 1,670 | 392 | 906 | 372 | 31 | 312 | 14 | 60 |
| 1954 | 742 | -- | 7 | 735 | 31 | 593 | 33 | 142 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul. Forestry & Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 171 | - | 8 | 2 | 147 | - | - | 5 | - | 9 |
| 1953 | 1670 | 113 | 120 | 61 | 103 | - | 420 | 99 | 724 | 30 |
| 1954 | 742 | 206 | 179 | 93 | 95 | - | 51 | 101 | - | 17 |

Country: SYRIA

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INDIVIDUAL COUNTRY DATA

NEAR EAST AND AFRICA

SUMMARY BY MAJOR COST COMPONENTS

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Local Costs | Services | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | Total Service Cost | U.S. Technicians No. of Persons | U.S. Technicians Cost | Trainees No. of Persons | Trainees Cost |
| Technical Progress and Development | | | | | | | | |
| 1952 | -- | -- | -- | -- | -- | -- | -- | -- |
| 1953 | -- | -- | -- | -- | -- | -- | -- | -- |
| 1954 | 2,937 | 850 | 1,248 | 839 | 42 | 471 | 69 | 368 |
| Special Economic Assistance | (Undistributed) | | | | | | | |
| 1952 | -- | | | | | | | |
| 1953 | -- | | | | | | | |
| 1954 | 18,000-25,700 | | | | | | | |
| Total All Programs | | | | | | | | |
| 1952 | -- | | | | | | | |
| 1953 | -- | | | | | | | |
| 1954 | 20,937-28,637 | | | | | | | |

SUMMARY BY MAJOR PROJECT CATEGORY
(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul. Forestry & Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Res. | (5) Indus. Trade Labor | (6) Trans. & Comm. | (7) Pub. Adm. | (8) Gen. Projects | (9) Domestic Prog. Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | — | — | — | — | — | — | — | — | — | — |
| 1953 | — | — | — | — | — | — | — | — | — | — |
| 1954 | 2,937 | 1,718 | 473 | 117 | 463 | — | — | 114 | — | 52 |
| Special Economic Assistance | (UNDISTRIBUTED) | | | | | | | | | |
| 1952 | — | | | | | | | | | |
| 1953 | — | | | | | | | | | |
| 1954 | 18,000 - 25,700 | | | | | | | | | |
| Total All Programs | (UNDISTRIBUTED) | | | | | | | | | |
| 1952 | — | | | | | | | | | |
| 1953 | — | | | | | | | | | |
| 1954 | 20,937 - 28,637 | | | | | | | | | |

(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)

SECRET - Security Information

REGIONAL PROJECTS

INDIVIDUAL COUNTRY DATA

NEAR EAST AND AFRICA

SUMMARY BY MAJOR COST COMPONENTS

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Local Costs | Services: Total Service Cost | Services: U.S. Technicians No. of Persons | Services: U.S. Technicians Cost | Services: Trainees No. of Persons | Services: Trainees Cost |
|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | |
| 1952 | 2,170 | 1,702 | 282 | 186 | 5 | 162 | - - | 24 |
| 1953 | 1,610 | 598 | 796 | 216 | 21 | 165 | 10 | 51 |
| 1954 | 1,014 | 250 | 436 | 328 | 26 | 314 | - - | 14 |
| Special Economic Assistance | | | | | | | | |
| 1952 | (Undistributed) | | | | | | | |
| 1953 | - - | | | | | | | |
| 1954 | 1,900 1/ | | | | | | | |
| **Total All Programs** | | | | | | | | |
| **1952** | **2,170** | **1,702** | **282** | **186** | **5** | **162** | **- -** | **24** |
| **1953** | **1,610** | **598** | **796** | **216** | **21** | **165** | **10** | **51** |
| **1954** | **2,914 (undistributed)** | | | | | | | |

1/ For regional civil aviation development.

(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)

INDIVIDUAL COUNTRY DATA — Country: Regional

NEAR EAST AND AFRICA

SUMMARY BY MAJOR PROJECT CATEGORY
(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul. Forestry & Fisheries | (2) Health and Sanitation | (3) Education | (4) Nat'l Military Res. | (5) Indus. Trade Labor | (6) Transp. & Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress & Development | | | | | | | | | | |
| 1952 | 2,170 | 405 | 589 | 442 | — | — | — | — | 688 | 46 |
| 1953 | 1,610 | 461 | 601 | 60 | 161 | 88 | — | 60 | 149 | 30 |
| 1954 | 1,014 | 383 | 25 | 300 | — | 64 | — | — | 208 | 34 |
| Special Economic Assistance | (UNDISTRIBUTED) | | | | | | | | | |
| 1952 | — | | | | | | | | | |
| 1953 | — | | | | | | | | | |
| 1954 | 1,900 1/ | | | | | | | | | |
| **Total All Programs** | | | | | | | | | | |
| 1952 | 2,170 | 405 | 589 | 442 | — | — | — | — | 688 | 46 |
| 1953 | 1,610 | 461 | 601 | 60 | 161 | 88 | — | 60 | 149 | 30 |
| 1954 | 2,914 | (undistributed) | | | | | | | | |

1/ For Regional Civil Aviation Development

(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)

SECRET - Security Information

DEPENDENT OVERSEAS TERRITORIES

NEAR EAST AND AFRICA

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | Agricul. Forestry & Fisheries | Health & Sani-tation | Educa-tion | Natural Re-sources | Industry Trade Labor | Transp. and Comm. | Pub. Adm. | Gen. Projects | Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Special Economic Assistance | | | | | | | | | | |
| 1952 | 37,782.6 | 91.8 | 5.5 | - | - | 1.0 | 101.3 | 3.0 | 37,580.0 | - |
| 1953 | 44,037.4 | 421.2 | 4.3 | 6.5 | - | 14.0 | 3.9 | 10.5 | 43,577.0 | - |
| 1954 | 24,000.0 | 15,825.3 | 400.0 | 222.0 | - | 2,959.2 | 4,509.0 | 32.5 | 52.0 | - |

SUMMARY BY MAJOR COST COMPONENTS

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Local Costs | Services | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | | No. of Persons | Cost | No. of Persons | Cost |
| Special Economic Assistance | | | | | | | | |
| 1952 | 37,782.6 | 37,598.5 | - | 184.1 | 15 | 108.1 | 38 | 76.0 |
| 1953 | 44,037.4 | 43,513.0 | - | 524.4 | 39 | 484.4 | 20 | 40.0 |
| 1954 | 24,000.0 | 22,559.4 | - | 1,440.6 | 100 | 1,240.6 | 100 | 200.0 |

DISTRIBUTION OF FY 1954 PROGRAM
BY AREA AND COUNTRY

(In thousands of Dollars)

| Area and Country | I Mutual Def. Materiel & Training | II Mutual Defense & Financing | III Mutual Special Weapons Planning | IV Mutual Develop. & Tech. Program: Tech. Progress & Development Program | IV Mutual Develop. & Tech. Program: Basic Materials Develop. | IV Mutual Develop. & Tech. Program: Special Economic Assist. | V Multi-lateral Organiz. | Total |
|---|---|---|---|---|---|---|---|---|
| Asia & Pacific | $1,084,064.8 | $495,000.0 | | $ 72,100.0 | | $94,400.0 | | $1,745,564.8 |
| Afghanistan | | | | 1,400.0 | | | | 1,400.0 |
| China | 250,926.2 | 70,000.0 | | | | | | 320,926.2 |
| India | | | | 30,100.0 | | 79,900.0 | | 110,000.0 |
| Indo-China | 528,773.9 | 425,000.0 | | | | | | 953,773.9 |
| Indonesia | | | | 4,000.0 | | | | 4,000.0 |
| Nepal | | | | 600.0 | | | | 600.0 |
| Pakistan | | | | 13,000.0 | | 14,500.0 | | 27,500.0 |
| Philippines | 15,711.6 | | | 17,000.0 | | | | 32,711.6 |
| Thailand | 35,245.3 | | | 5,000.0 | | | | 40,245.3 |
| Korea | 4,037.9 | | | | | | | 4,037.9 |
| Japan | 119,891.0 | | | | | | | 119,891.0 |
| DOT's | | | | 1,000.0 | | | | 1,000.0 |
| Undistributed | 129,478.9 | | | | | | | 129,478.9 |

[redacted] Security Information

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY ASIA & PACIFIC

**VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954**
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $820.2 | $70.4 | $743.2 | $25.5 | $932.0 | $10.9 |
| Army | 592.6 | 38.2 | 417.1 | 12.7 | 636.0 | 0 |
| Navy | 108.2 | 7.6 | 101.8 | .3 | 65.8 | .3 |
| Air Force | 119.4 | 24.6 | 224.2 | 12.5 | 230.2 | 10.6 |

**MATERIEL PROGRAMS**
**QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954**
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 636,000 |
| Tanks and Combat Vehicles | - | - | - | $ 70,991 |
| Light Tanks | 146 | 60 | 537 | $ 63,605 |
| Medium Tanks | 2 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 1,706 | 313 | 25 | $ 1,925 |
| Miscellaneous | - | - | - | $ 5,461 |
| Motor Transport Vehicles | - | - | - | $ 46,697 |
| 1/4 Ton Truck | 7,355 | 1,048 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 5,444 | 1,483 | 0 | $ 0 |
| 2½ Ton Cargo | 8,054 | 1,862 | 4,511 | $ 26,556 |
| Other Trucks | 4,325 | 1,266 | 2,098 | $ 15,201 |
| Trailers | 6,776 | 110 | 283 | $ 452 |
| Miscellaneous | - | - | - | $ 4,488 |
| Small Arms & Machine Guns | - | - | - | $ 9,209 |
| Total Pieces | 260,829 | 51,579 | 88,569 | $ 8,324 |
| Miscellaneous | - | - | - | $ 885 |
| Artillery | - | - | - | $ 19,354 |
| Total Pieces | 4,465 | 1,900 | 1,458 | $ 17,656 |
| Miscellaneous | - | - | - | $ 1,698 |
| Ammunition Small Arms & MG (Thous Rds) | 301,233 | 219,324 | 224,001 | $ 28,005 |
| Ammunition - Artillery (Thous Rds) | 7,000 | 5,359 | 14,331 | $ 297,916 |
| All Other | - | - | - | $ 163,778 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 66,100 |
| Vessels | 329 | 129 | 69 | $ 37,000 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 24 | 13 | 4 | $ 11,900 |
| Mine Vessels | 0 | 8 | 8 | $ 18,200 |
| Auxiliaries | 11 | 8 | 2 | $ 3,600 |
| Other | 294 | 100 | 55 | $ 3,300 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 1,500 |
| Aircraft - Total | 75 | 7 | 1 | $ 500 |
| Fighters | 40 | 0 | 0 | $ 0 |
| Bombers and Patrol | 23 | 2 | 1 | $ 500 |
| Other | 12 | 5 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 1,000 |
| All Other | - | - | - | $ 27,600 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 240,820 |
| A/C Spares & Aero Equip. | - | - | - | $ 156,527 |
| Day Fighters - Total | 484 | 94 | 185 | $ 48,978 |
| Conventional | 484 | 94 | 95 | $ 10,910 |
| Jet | 0 | 0 | 90 | $ 38,068 |
| All Weather Fighters—Jet | 0 | 0 | 60 | $ 25,019 |
| Fighter Bombers - Jet | 60 | 143 | 39 | $ * |
| Reconnaissance - Total | 13 | 2 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 13 | 2 | 0 | $ 0 |
| Bombers - Conventional | 52 | 46 | 0 | $ 0 |
| Transports - Conventional | 32 | 9 | 0 | $ 0 |
| Trainers - Total | 35 | 10 | 50 | $ 6,116 |
| Jet | 5 | 10 | 50 | $ 6,116 |
| Conventional | 30 | 0 | 0 | $ 0 |
| Other Aircraft | 9 | 20 | 40 | $ 4,680 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 71,734 |
| All Other | - | - | - | $ 84,293 |

**TRAINING PROGRAMS**
**FORMAL TRAINING COURSES (U. S. AND OVERSEAS)**

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 5,611 | 3,819 | 1,119 | 3,238 |
| Army | 2,830 | 1,639 | 716 | 1,828 |
| Navy | 1,473 | 1,328 | 120 | 840 |
| Air Force | 1,308 | 852 | 283 | 570 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security consideretions.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts.

* F84G aircraft to be recovered from Title I countries on their receipt of F84F type currently programmed for them in FY 1950-1953 program.

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[redacted] Security Information

INDIVIDUAL COUNTRY DATA

ASIA AND THE PACIFIC

SUMMARY BY MAJOR COST COMPONENTS

Country: AFGHANISTAN

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| Technical Progress and Development | | | | | | | |
| 1952 | 253.7 | 103.4 | 150.3 | 3 | 104.0 | 14 | 46.3 |
| 1953 | 663.3 | 232.0 | 431.3 | 28 | 321.0 | 20 | 110.3 |
| 1954 | 1,400.0 | 430.6 | 969.4 | 51 | 663.4 | 55 | 306.0 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul., Forestry & Fisheries | (2) Health & Sanitation | (3) Education | (4) Nat'l Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 253.7 | 35.6 | 81.0 | 69.1 | 54.5 | - | 7.5 | - | - | 6.0 |
| 1953 | 663.3 | 478.0 | 52.5 | 15.0 | 89.5 | - | - | - | - | 28.3 |
| 1954 | 1,400.0 | 870.2 | 180.0 | 165.0 | 100.8 | - | 25.0 | - | - | 59.0 |

INDIVIDUAL COUNTRY DATA

ASIA AND THE PACIFIC

SUMMARY BY MAJOR COST COMPONENTS

Country: BURMA

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians No. of Persons | U.S. Technicians Cost | Trainees No.of Persons | Trainees Cost |
| Technical Progress and Development | | | | | | | |
| 1952 | 13,674.3 | 10,660.0 | 3,014.3 | 69 | 2,792.0 | 67 | 222.3 |
| 1953 | 6,935.6 | 5,211.0 | 1,724.6 | 82 | 1,093.1 | 141 | 631.5 |
| 1954 | - | - | - | - | - | - | - |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U. S. Cost | (1) Agricul., Forestry & Fisheries | (2) Health and Sanitation | (3) Education | (4) Nat'l. Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 13,674.3 | 2,356.0 | 2,100.0 | 479.0 | 1,400.0 | 1,526.0 | 3,402.0 | 1,118.0 | 1,245.0 | 48.3 |
| 1953 | 6,935.6 | 2,100.0 | 2,722.0 | 1,282.0 | 173.0 | 212.0 | 325.0 | - | - | 121.6 |
| 1954 | - | - | - | - | - | - | - | - | - | - |

[redacted]

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY BURMA

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $.6 | $1.3 | $.3 | $0 | $0 | $0 |
| Army | 0 | 0 | 0 | 0 | 0 | 0 |
| Navy | .6 | 1.3 | .3 | 0 | 0 | 0 |
| Air Force | 0 | 0 | 0 | 0 | 0 | 0 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 0 |
| Tanks and Combat Vehicles | - | - | - | $ 0 |
| Light Tanks | 0 | 0 | 0 | $ 0 |
| Medium Tanks | 0 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Motor Transport Vehicles | - | - | - | $ 0 |
| 1/4 Ton Truck | 0 | 0 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 0 | 0 | 0 | $ 0 |
| 2½ Ton Cargo | 0 | 0 | 0 | $ 0 |
| Other Trucks | 0 | 0 | 0 | $ 0 |
| Trailers | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Small Arms & Machine Guns | - | - | - | $ 0 |
| Total Pieces | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Artillery | - | - | - | $ 0 |
| Total Pieces | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Ammunition Small Arms & MG (Thous Rds) | 0 | 0 | 0 | $ 0 |
| Ammunition - Artillery (Thous Rds) | 0 | 0 | 0 | $ 0 |
| All Other | - | - | - | $ 0 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 0 |
| Vessels | 10 | 0 | 0 | $ 0 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 10 | 0 | 0 | $ 0 |
| Mine Vessels | 0 | 0 | 0 | $ 0 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 0 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 0 |
| A/C Spares & Aero Equip. | - | - | - | $ 0 |
| Day Fighters - Total | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 0 | 0 | 0 | $ 0 |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 0 | 0 | 0 | $ 0 |
| Trainers - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 0 |
| All Other | - | - | - | $ 0 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 26 | 13 | 0 | 0 |
| Army | 0 | 0 | 0 | 0 |
| Navy | 26 | 13 | 0 | 0 |
| Air Force | 0 | 0 | 0 | 0 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts

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[redacted] - Security Information

INDIVIDUAL COUNTRY DATA

ASIA AND THE PACIFIC

SUMMARY BY MAJOR COST COMPONENTS

Country: CEYLON

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Total Service Cost | U.S. Technicians No. of Persons | U.S. Technicians Cost | Trainees No. of Persons | Trainees Cost |
|---|---|---|---|---|---|---|---|
| Technical Progress and Development 1952 | 10.9 | - | 10.9 | 1 | 10.9 | - | - |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | (1) Total U.S. Cost | (2) Agricul., Forestry & Fisheries | (3) Health And Sanitation | (4) Education | (5) Nat'l. Resources | (6) Industry Trade Labor | (7) Transp. and Comm. | (8) Pub. Adm. | (9) General Projects | Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development 1952 | 10.9 | 10.9 | - | - | - | - | - | - | - | - |

PROGRAM BY COUNTRY

CHINA (FORMOSA)

(In thousands of dollars)

| ITEM | Actual FY 1952 | Program Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel and Training | | $450,100 a/ | $250,926.2 |
| Mutual Defense Financing | | | |
| Defense Support | $68,304 | 75,125 | 70,000 |
| Total Country Estimate | | | $320,926.2 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.

SECRET [redacted]

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY NGRC

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $180.9 | $32.4 | $232.6 | $9.7 | $244.1 | $1.8 |
| Army | 131.0 | 13.0 | 98.7 | 0 | 110.0 | 0 |
| Navy | 9.7 | .3 | 25.1 | 0 | 15.8 | 0 |
| Air Force | 40.2 | 19.1 | 108.8 | 9.7 | 118.3 | 1.8 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program | | Proposed FY 1954 Program | |
|---|---|---|---|---|
| | Quantities Shipped | Quan. To Be Shipped | Quantity | Value |
| Total Materiel Program | - | - | - | $110,000 |
| Tanks and Combat Vehicles | - | - | - | $ 34,957 |
| Light Tanks | 0 | 0 | 285 | $ 33,757 |
| Medium Tanks | 0 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 351 | 15 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 1,200 |
| Motor Transport Vehicles | - | - | - | $ 18,756 |
| 1/4 Ton Truck | 1,354 | 204 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 1,493 | 495 | 0 | $ 0 |
| 2½ Ton Cargo | 1,714 | 800 | 2,284 | $ 13,446 |
| Other Trucks | 584 | 395 | 552 | $ 4,386 |
| Trailers | 300 | 0 | 15 | $ 74 |
| Miscellaneous | - | - | - | $ 850 |
| Small Arms & Machine Guns | - | - | - | $ 4,045 |
| Total Pieces | 69,135 | 320 | 37,091 | $ 3,598 |
| Miscellaneous | - | - | - | $ 447 |
| Artillery | - | - | - | $ 5,538 |
| Total Pieces | 645 | 335 | 190 | $ 5,070 |
| Miscellaneous | - | - | - | $ 468 |
| Ammunition Small Arms & MG (Thous Rds) | 48,000 | 85,230 | 38,817 | $ 3,930 |
| Ammunition - Artillery (Thous Rds) | 1,759 | 2,382 | 1,248 | $ 35,097 |
| All Other | - | - | - | $ 7,677 |

| NAVY | FY 1950-53 Program | | Proposed FY 1954 Program | |
|---|---|---|---|---|
| | Quantities Shipped | Quan. To Be Shipped | Quantity | Value |
| Total Materiel Program | - | - | - | $ 15,800 |
| Vessels | 0 | 0 | 0 | $ 0 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 0 | 0 | 0 | $ 0 |
| Mine Vessels | 0 | 0 | 0 | $ 0 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 15,800 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 120,131 |
| A/C Spares & Aero Equip. | - | - | - | $ 83,366 |
| Day Fighters - Total | 188 | 7 | 90 | $ 38,068 |
| Conventional | 188 | 7 | 0 | $ 0 |
| Jet | 0 | 0 | 90 | $ 38,068 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 60 | 143 | 39 | $ * |
| Reconnaissance - Total | 8 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 8 | 0 | 0 | $ 0 |
| Bombers - Conventional | 6 | 26 | 0 | $ 0 |
| Transports - Conventional | 0 | 0 | 0 | $ 0 |
| Trainers - Total | 5 | 10 | 20 | $ 2,446 |
| Jet | 5 | 10 | 20 | $ 2,446 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 9 | $ 2,355 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 40,497 |
| All Other | - | - | - | $ 36,765 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 985 | 634 | 250 | 800 |
| Army | 265 | 151 | 58 | 240 |
| Navy | 47 | 86 | 13 | 265 |
| Air Force | 673 | 397 | 179 | 295 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

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Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts.
* F84G aircraft to be recovered from other countries on their receipt of F84F type currently programmed for them in their FY 1950-53 program.

SECRET Security Information

INDIVIDUAL COUNTRY DATA
ASIA AND THE PACIFIC

SUMMARY BY MAJOR COST COMPONENTS

Country: INDIA

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies and Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U. S. Technicians | | Trainees | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| **Technical Progress and Development** | | | | | | | |
| 1952 | 52,707.7 | 50,987.4 | 1,720.3 | 114 | 1,419.7 | 121 | 300.6 |
| 1953 | 43,841.5 | 40,208.1 | 3,633.4 | 124 | 2,915.0 | 130 | 718.4 |
| 1954 | 30,100.0 | 24,697.0 | 5,403.0 | 245 | 4,719.0 | 123 | 684.0 |
| **Special Economic Assistance** | | | | | | | |
| 1954 | 79,900.0 | 79,900.0 | - | - | - | - | - |
| **Total All Programs** | | | | | | | |
| 1952 | 52,707.7 | 50,987.4 | 1,720.3 | 114 | 1,419.7 | 121 | 300.6 |
| 1953 | 43,841.5 | 40,208.1 | 3,633.4 | 124 | 2,915.0 | 130 | 718.4 |
| 1954 | 110,000.0 | 104,597.0 | 5,403.0 | 245 | 4,719.0 | 128 | 684.0 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | (1) Total U. S. Cost | (2) Agricul., Forestry and Fisheries | (3) Health and Sanitation | (4) Education | (5) Nat'l. Resources | (6) Industry Trade Labor | (7) Transp. and Comm. | (8) Pub. Adm. | (9) General Projects | Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| **Technical Progress and Development** | | | | | | | | | | |
| 1952 | 52,707.7 | 28,619.7 | 770.0 | 455.0 | 5,272.0 | 8,582.4 | 62.0 | 3.0 | 8,859.0 | 84.6 |
| 1953 | 43,841.5 | 18,789.0 | 5,600.0 | 1,430.0 | 5,613.0 | 9,695.0 | 86.0 | 65.0 | 2,393.5 | 170.0 |
| 1954 | 30,100.0 | 7,075.0 | 1,807.0 | 5,034.0 | 3,316.0 | 3,132.0 | 639.0 | 81.0 | 8,763.0 | 253.0 |
| **Special Economic Assistance** | | | | | | | | | | |
| 1952 | - | - | - | - | - | - | - | - | - | - |
| 1953 | - | - | - | - | - | - | - | - | - | - |
| 1954 | 79,900.0 | 18,500.0 | 6,700.0 | - | 25,000.0 | 29,700.0 | - | - | - | - |
| **Total All Programs** | | | | | | | | | | |
| 1952 | 52,707.7 | 28,619.7 | 770.0 | 455.0 | 5,272.0 | 8,582.4 | 62.0 | 3.0 | 8,859.0 | 84.6 |
| 1953 | 43,841.5 | 18,789.0 | 5,600.0 | 1,430.0 | 5,613.0 | 9,695.0 | 86.0 | 65.0 | 2,393.5 | 170.0 |
| 1954 | 110,000.0 | 25,575.0 | 8,507.0 | 5,034.0 | 28,316.0 | 32,832.0 | 639.0 | 81.0 | 8,763.0 | 253.0 |

PROGRAM BY COUNTRY

INDOCHINA (ASSOCIATED STATES)

(In thousands of dollars)

| Item | Program Actual FY 1952 | Program Estimate FY 1953 | Program Estimate FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel and Training | $ - | $ 896,700 a/ | $ 528,773.9 |
| Mutual Defense Financing | | | |
| (a) Defense Support | 24,604 | 24,125 | 25,000 |
| (b) Defense Financing for Indochina | - | - | 400,000 b/ |
| Total Country Estimate | | | 953,773.9 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.

b/ U.S. contribution to total financing of Indochina war and build-up of Associated States' forces.

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY INDO-CHINA

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $522.8 | $27.3 | $398.3 | $13.1 | $528.1 | $.3 |
| Army | 384.4 | 22.9 | 251.6 | 12.5 | 460.0 | 0 |
| Navy | 78.2 | 3.5 | 57.4 | .3 | 31.6 | .3 |
| Air Force | 60.2 | .9 | 89.3 | .3 | 36.5 | 0 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $460,000 |
| Tanks and Combat Vehicles | - | - | - | $ 31,574 |
| Light Tanks | 90 | 60 | 222 | $ 26,295 |
| Medium Tanks | 2 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 1,104 | 298 | 25 | $ 1,925 |
| Miscellaneous | - | - | - | $ 3,354 |
| Motor Transport Vehicles | - | - | - | $ 24,016 |
| 1/4 Ton Truck | 3,748 | 528 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 3,284 | 704 | 0 | $ 0 |
| 2½ Ton Cargo | 4,587 | 655 | 2,000 | $ 11,774 |
| Other Trucks | 3,522 | 685 | 1,410 | $ 9,674 |
| Trailers | 3,403 | 0 | 260 | $ 370 |
| Miscellaneous | - | - | - | $ 2,198 |
| Small Arms & Machine Guns | - | - | - | $ 4,660 |
| Total Pieces | 119,611 | 51,259 | 46,300 | $ 4,268 |
| Miscellaneous | - | - | - | $ 392 |
| Artillery | - | - | - | $ 13,481 |
| Total Pieces | 2,825 | 1,275 | 1,070 | $ 12,281 |
| Miscellaneous | - | - | - | $ 1,200 |
| Ammunition Small Arms & MG (Thous Rds) | 198,247 | 115,492 | 112,000 | $ 15,000 |
| Ammunition - Artillery (Thous Rds) | 4,885 | 2,264 | 12,325 | $225,383 |
| All Other | - | - | - | $145,886 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 31,900 |
| Vessels | 280 | 105 | 63 | $ 22,700 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 9 | 3 | 4 | $ 11,900 |
| Mine Vessels | 0 | 6 | 4 | $ 7,500 |
| Auxiliaries | 11 | 8 | 0 | $ 0 |
| Other | 260 | 88 | 55 | $ 3,300 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 1,500 |
| Aircraft - Total | 63 | 7 | 1 | $ 500 |
| Fighters | 40 | 0 | 0 | $ 0 |
| Bombers and Patrol | 11 | 2 | 1 | $ 500 |
| Other | 12 | 5 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 1,000 |
| All Other | - | - | - | $ 7,700 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 36,501 |
| A/C Spares & Aero Equip. | - | - | - | $ 4,271 |
| Day Fighters - Total | 150 | 20 | 0 | $ 0 |
| Conventional | 150 | 20 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 0 | 0 | 0 | $ 0 |
| Reconnaissance - Total | 5 | 2 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 5 | 2 | 0 | $ 0 |
| Bombers - Conventional | 46 | 20 | 0 | $ 0 |
| Transports - Conventional | 28 | 4 | 0 | $ 0 |
| Trainers - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Other Aircraft | 0 | 15 | 26 | $ 2,091 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 2,180 |
| All Other | - | - | - | $32,230 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 546 | 483 | 0 | 12 |
| Army | 25 | 0 | 0 | 0 |
| Navy | 521 | 483 | 0 | 12 |
| Air Force | 0 | 0 | 0 | 0 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts

074805

INDIVIDUAL COUNTRY DATA

ASIA AND THE PACIFIC

SUMMARY BY MAJOR COST COMPONENTS

Country: INDONESIA

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| Technical Progress and Development | | | | | | | |
| 1952 | 8,063.7 | 6,862.0 | 1,201.7 | 44 | 981.3 | 151 | 220.4 |
| 1953 | 3,728.6 | 1,356.6 | 2,372.0 | 117 | 1,335.0 | 191 | 1,037.0 |
| 1954 | 4,000.0 | 1,308.0 | 2,692.0 | 137 | 1,630.0 | 191 | 1,062.0 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul., Forestry & Fisheries | (2) Health and Sanitation | (3) Education | (4) Nat'l. Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 8,063.7 | 2,854.0 | 1,223.0 | 1,998.0 | - | 889.0 | 561.0 | 225.0 | 250.0 | 63.7 |
| 1953 | 3,728.6 | 1,110.0 | 525.0 | 431.0 | - | 828.0 | - | - | 700.0 | 134.6 |
| 1954 | 4,000.0 | 1,320.0 | 659.0 | 526.0 | - | 576.0 | - | 60.0 | 700.0 | 159.0 |

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY INDONESIA

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $3.8 | $.1 | $1.0 | $0 | $0 | $0 |
| Army | 3.8 | .1 | 1.0 | 0 | 0 | 0 |
| Navy | 0 | 0 | 0 | 0 | 0 | 0 |
| Air Force | 0 | 0 | 0 | 0 | 0 | 0 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program | | Proposed FY 1954 Program | |
|---|---|---|---|---|
| | Quantities Shipped | Quan. To be Shipped | Quantity | Value |
| Total Materiel Program | - | - | - | $ 0 |
| Tanks and Combat Vehicles | - | - | - | $ 0 |
| Light Tanks | 0 | 0 | 0 | $ 0 |
| Medium Tanks | 0 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 15 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Motor Transport Vehicles | - | - | - | $ 0 |
| 1/4 Ton Truck | 50 | 0 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 150 | 0 | 0 | $ 0 |
| 2½ Ton Cargo | 5 | 0 | 0 | $ 0 |
| Other Trucks | 0 | 0 | 0 | $ 0 |
| Trailers | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Small Arms & Machine Guns | - | - | - | $ 0 |
| Total Pieces | 22,100 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Artillery | - | - | - | $ 0 |
| Total Pieces | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Ammunition Small Arms & MG (Thous Rds) | 15,656 | 0 | 0 | $ 0 |
| Ammunition - Artillery (Thous Rds) | 0 | 0 | 0 | $ 0 |
| All Other | - | - | - | $ 0 |

| NAVY | FY 1950-53 Program | | Proposed FY 1954 Program | |
|---|---|---|---|---|
| | Quantities Shipped | Quan. To Be Shipped | Quantity | Value |
| Total Materiel Program | - | - | - | $ 0 |
| Vessels | 0 | 0 | 0 | $ 0 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 0 | 0 | 0 | $ 0 |
| Mine Vessels | 0 | 0 | 0 | $ 0 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | - | - | - | $ - |
| Other Aero Equipment | - | - | - | $ - |
| All Other | - | - | - | $ 0 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 0 |
| A/C Spares & Aero Equip. | - | - | - | $ 0 |
| Day Fighters - Total | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 0 | 0 | 0 | $ 0 |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 0 | 0 | 0 | $ 0 |
| Trainers - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 0 |
| All Other | - | - | - | $ 0 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 49 | 4 | 15 | 0 |
| Army | 49 | 4 | 15 | 0 |
| Navy | 0 | 0 | 0 | 0 |
| Air Force | 0 | 0 | 0 | 0 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts

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DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY JAPAN

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | No approved FY 1950-53 Program | | | | $111.8 | $0 |
| Army | | | | | 40.0 | 0 |
| Navy | | | | | 10.7 | 0 |
| Air Force | | | | | 61.1 | 0 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 40,000 |
| Tanks and Combat Vehicles | - | - | - | $ 0 |
| Light Tanks | 0 | 0 | 0 | $ 0 |
| Medium Tanks | 0 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Motor Transport Vehicles | - | - | - | $ 0 |
| 1/4 Ton Truck | 0 | 0 | 0 | $ 0 |
| 2/4 Ton Weapons Carrier | 0 | 0 | 0 | $ 0 |
| 2½ Ton Cargo | 0 | 0 | 0 | $ 0 |
| Other Trucks | 0 | 0 | 0 | $ 0 |
| Trailers | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Small Arms & Machine Guns | - | - | - | $ 0 |
| Total Pieces | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Artillery | - | - | - | $ 0 |
| Total Pieces | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Ammunition Small Arms & MG (Thous Rds) | 0 | 0 | 52,477 | $ 6,577 |
| Ammunition - Artillery (Thous Rds) | 0 | 0 | 151 | $ 26,342 |
| All Other | - | - | - | $ 7,081 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 10,700 |
| Vessels | 0 | 0 | 4 | $ 10,700 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 0 | 0 | 0 | $ 0 |
| Mine Vessels | 0 | 0 | 4 | $ 10,700 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 34 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 6 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 6 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 0 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 61,098 |
| A/C Spares & Aero Equip. | - | - | - | $ 52,269 |
| Day Fighters - Total | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 60 | $ 25,019 |
| Fighter Bombers - Jet | 0 | 0 | 0 | $ 0 |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 0 | 0 | 0 | $ 0 |
| Trainers - Total | 0 | 0 | 30 | $ 3,670 |
| Jet | 0 | 0 | 30 | $ 3,670 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 23,580 |
| All Other | - | - | - | $ 8,829 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 143 | 0 | 115 | 337 |
| Army | 143 | 0 | 115 | 337 |
| Navy | 0 | 0 | 0 | 0 |
| Air Force | 0 | 0 | 0 | * |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts
* Spaces undetermined as of this date

074805

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY KOREA

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $9.6 | $.6 | $.8 | $0 | $0 | $0 |
| Army | 9.5 | .1 | .8 | 0 | 0 | 0 |
| Navy | .1 | 0 | 0 | 0 | 0 | 0 |
| Air Force | 0 | .5 | 0 | 0 | 0 | 0 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program: Quantities Shipped | FY 1950-53 Program: Quan. To Be Shipped | Proposed FY 1954 Program: Quantity | Proposed FY 1954 Program: Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 0 |
| Tanks and Combat Vehicles | - | - | - | $ 0 |
| Light Tanks | 0 | 0 | 0 | $ 0 |
| Medium Tanks | 0 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Motor Transport Vehicles | - | - | - | $ 0 |
| 1/4 Ton Truck | 0 | 0 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 0 | 0 | 0 | $ 0 |
| 2½ Ton Cargo | 0 | 0 | 0 | $ 0 |
| Other Trucks | 0 | 0 | 0 | $ 0 |
| Trailers | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Small Arms & Machine Guns | - | - | - | $ 0 |
| Total Pieces | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Artillery | - | - | - | $ 0 |
| Total Pieces | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Ammunition Small Arms & MG (Thous Rds) | 0 | 0 | 0 | $ 0 |
| Ammunition - Artillery (Thous Rds) | 0 | 0 | 0 | $ 0 |
| All Other | - | - | - | $ 0 |

| NAVY | FY 1950-53 Program: Quantities Shipped | FY 1950-53 Program: Quan. To Be Shipped | Proposed FY 1954 Program: Quantity | Proposed FY 1954 Program: Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 0 |
| Vessels | 0 | 0 | 0 | $ 0 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 0 | 0 | 0 | $ 0 |
| Mine Vessels | 0 | 0 | 0 | $ 0 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 0 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 0 |
| A/C Spares & Aero Equip. | - | - | - | $ 0 |
| Day Fighters - Total | 10 | 0 | 0 | $ 0 |
| Conventional | 10 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 0 | 0 | 0 | $ 0 |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 0 | 0 | 0 | $ 0 |
| Trainers - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 0 |
| All Other | - | - | - | $ 0 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 1,672 | 1,077 | 491 | 997 |
| Army | 1,615 | 992 | 463 | 972 |
| Navy | 34 | 65 | 25 | 19 |
| Air Force | 23 | 20 | 3 | 6 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts

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~~SECRET~~ Security Information

INDIVIDUAL COUNTRY DATA

ASIA AND THE PACIFIC

SUMMARY BY MAJOR COST COMPONENTS

Country: NEPAL

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | No.of Persons | Cost | No.of Persons | Cost |
| Technical Progress and Development | | | | | | | |
| 1952 | 201.5 | 136.0 | 65.5 | 4 | 60.7 | 2 | 4.8 |
| 1953 | 428.4 | 261.4 | 167.0 | 9 | 127.0 | 7 | 40.0 |
| 1954 | 600.0 | 311.4 | 288.6 | 25 | 181.6 | 40 | 107.0 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul., Forestry & Fisheries | (2) Health and Sanitation | (3) Education | (4) Nat'l. Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 201.5 | 50.4 | 123.7 | - | 25.3 | - | - | - | - | 2.1 |
| 1953 | 428.4 | 324.4 | 57.0 | - | 33.0 | - | - | - | - | 14.0 |
| 1954 | 600.0 | 425.8 | 84.8 | - | 32.4 | - | - | 19.0 | - | 38.0 |

~~SECRET~~ Security Information

INDIVIDUAL COUNTRY DATA

ASIA AND THE PACIFIC

SUMMARY BY MAJOR COST COMPONENTS

Country: PAKISTAN

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians No. of Persons | U.S. Technicians Cost | Trainees No. of Persons | Trainees Cost |
| **Technical Progress and Development** | | | | | | | |
| 1952 | 10,600.7 | 9,622.3 | 978.4 | 18 | 142.7 | 80 | 835.7 |
| 1953 | 11,795.8 | 10,773.3 | 1,022.5 | 49 | 943.0 | 11 | 79.5 |
| 1954 | 13,000.0 | 7,937.0 | 5,063.0 | 163 | 4,507.0 | 100 | 556.0 |
| **Special Economic Assistance** | | | | | | | |
| 1954 | 14,500.0 | 14,500.0 | - | - | - | - | - |
| **Total All Programs** | | | | | | | |
| 1952 | 10,600.7 | 9,622.3 | 978.4 | 18 | 142.7 | 80 | 835.7 |
| 1953 | 11,795.8 | 10,773.3 | 1,022.5 | 49 | 943.0 | 11 | 79.5 |
| 1954 | 27,500.0 | 22,437.0 | 5,063.0 | 163 | 4,507.0 | 100 | 556.0 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U. S. Cost | (1) Agricul., Forestry & Fisheries | (2) Health & Sanitation | (3) Education | (4) Nat'l Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| **Technical Progress and Development** | | | | | | | | | | |
| 1952 | 10,600.7 | 1,655.0 | 475.0 | 745.0 | 6.0 | 4,174.5 | 1,100.0 | 43.0 | 2,370.0 | 32.2 |
| 1953 | 11,795.8 | 6,967.0 | 495.0 | 310.0 | 124.0 | 3,048.0 | 17.0 | 12.0 | 747.3 | 75.5 |
| 1954 | 13,000.0 | 3,240.0 | 115.0 | 2,525.0 | 1,225.0 | 559.0 | 340.0 | - | 4,820.0 | 176.0 |
| **Special Economic Assistance** | | | | | | | | | | |
| 1952 | - | - | - | - | - | - | - | - | - | - |
| 1953 | - | - | - | - | - | - | - | - | - | - |
| 1954 | 14,500.0 | 9,800.0 | 1,460.0 | - | - | 2,490.0 | 750.0 | - | - | - |
| **Total All Programs** | | | | | | | | | | |
| 1952 | 10,600.7 | 1,655.0 | 475.0 | 745.0 | 6.0 | 4,174.5 | 1,100.0 | 43.0 | 2,370.0 | 32.2 |
| 1953 | 11,795.8 | 6,967.0 | 495.0 | 310.0 | 124.0 | 3,048.0 | 17.0 | 12.0 | 747.3 | 75.5 |
| 1954 | 27,500.0 | 13,040.0 | 1,575.0 | 2,525.0 | 1,225.0 | 3,049.0 | 1,090.0 | - | 4,820.0 | 176.0 |

INDIVIDUAL COUNTRY DATA

ASIA AND THE PACIFIC

SUMMARY BY MAJOR COST COMPONENTS

Country: PHILIPPINES

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies and Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U. S. Technicians | | Trainees | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| Technical Progress and Development | | | | | | | |
| 1952 | $32,104 | $31,218 | $ 886 | 67 | $ 555 | 108 | $331 |
| 1953 | 20,125 | 17,176 | 2,949 | 187 | 2,767 | 57 | 182 |
| 1954 | 17,000 | 13,494 | 3,506 | 194 | 2,971 | 164 | 535 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars

| Program by Fiscal Year | Total U.S. Cost | (1) Agricul. Forestry and Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | $32,104 | $12,205 | $5,858 | $ 946 | $1,837 | $6,882 | $3,935 | $337 | - | $104 |
| 1953 | 20,125 | 7,486 | 2,465 | 2,159 | 1,258 | 239 | 5,603 | 790 | - | 125 |
| 1954 | 17,000 | 6,825 | 2,140 | 1,150 | 4,158 | 827 | 905 | 995 | - | - |

COUNTRY PROGRAM SUMMARY

| | 1952 | 1953 | 1954 |
|---|---|---|---|
| Mutual Defense Materiel and Training | - | $102,210.8 a/ | $15,711.6 |
| Technical Progress and Development | $32,104.0 | 20,125.0 | 17,000.0 |
| Country Total | | | $32,711.6 |

a/ Cumulative programs 1950-1953 Military program records maintained cumulatively.

[redacted] Security Information

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY PHILIPPINES

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $44.2 | $6.9 | $55.2 | $2.3 | $14.4 | $.6 |
| Army | 35.2 | 2.1 | 33.0 | 0 | 7.1 | 0 |
| Navy | 5.2 | 1.5 | 13.0 | 0 | 4.5 | 0 |
| Air Force | 3.8 | 3.3 | 9.2 | 2.3 | 2.8 | .6 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 7,100 |
| Tanks and Combat Vehicles | - | - | - | $ 150 |
| Light Tanks | 0 | 0 | 0 | $ 0 |
| Medium Tanks | 0 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 188 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 150 |
| Motor Transport Vehicles | - | - | - | $ 1,200 |
| 1/4 Ton Truck | 1,278 | 202 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 288 | 40 | 0 | $ 0 |
| 2½ Ton Cargo | 1,230 | 27 | 0 | $ 0 |
| Other Trucks | 182 | 113 | 0 | $ 0 |
| Trailers | 1,800 | 10 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 1,200 |
| Small Arms & Machine Guns | - | - | - | $ 83 |
| Total Pieces | 23,276 | 0 | 875 | $ 75 |
| Miscellaneous | - | - | - | $ 8 |
| Artillery | - | - | - | $ 164 |
| Total Pieces | 566 | 155 | 123 | $ 149 |
| Miscellaneous | - | - | - | $ 15 |
| Ammunition Small Arms & MG (Thous Rds) | 24,800 | 10,529 | 8,567 | $ 962 |
| Ammunition - Artillery (Thous Rds) | 79 | 322 | 198 | $ 3,411 |
| All Other | - | - | - | $ 1,130 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 4,500 |
| Vessels | 34 | 8 | 2 | $ 3,600 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 0 | 6 | 0 | $ 0 |
| Mine Vessels | 0 | 2 | 0 | $ 0 |
| Auxiliaries | 0 | 0 | 2 | $ 3,600 |
| Other | 34 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 6 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 6 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 900 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 3,436 |
| A/C Spares & Aero Equip. | - | - | - | $ 1,487 |
| Day Fighters - Total | 50 | 40 | 12 | $ 938 |
| Conventional | 50 | 40 | 12 | $ 938 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 0 | 0 | 0 | $ 0 |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 4 | 2 | 0 | $ 0 |
| Trainers - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Other Aircraft | 9 | 5 | 5 | $ 234 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 315 |
| All Other | - | - | - | $ 1,949 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 1,766 | 1,219 | 138 | 748 |
| Army | 598 | 424 | 48 | 124 |
| Navy | 715 | 427 | 26 | 420 |
| Air Force | 453 | 368 | 64 | 204 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts

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INDIVIDUAL COUNTRY DATA
ASIA AND THE PACIFIC

**Country: Thailand**

SUMMARY BY MAJOR COST COMPONENTS

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| Technical Progress and Development | | | | | | | |
| 1952 | $ 7,097 | $ 5,804 | $ 1,293 | 36 | $ 621 | 141 | $ 672 |
| 1953 | 6,325 | 4,370 | 1,955 | 80 | 1,195 | 154 | 760 |
| 1954 | 5,000 | 3,185 | 1,815 | 83 | 1,255 | 112 | 560 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U. S. Cost | (1) Agricul. Forestry & Fisheries | (2) Health & Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | $7,097 | $ 2,936 | $ 2,494 | $ 469 | $ 846 | - | $ 187 | $ 121 | - | $ 44 |
| 1953 | 6,325 | 2,075 | 2,225 | 865 | 310 | 5 | 625 | 95 | - | 125 |
| 1954 | 5,000 | 2,100 | 1,210 | 530 | 755 | - | 265 | 140 | - | - |

COUNTRY PROGRAM SUMMARY

| | 1952 | 1953 | 1954 |
|---|---|---|---|
| Mutual Defense Materiel and Training | $ - | $113,753.2 a/ | $ 35,245.3 |
| Technical Progress and Development | 7,097.0 | 6,325.0 | 5,000.0 |
| Country total | | | $ 40,245.3 |

a/ Cumulative programs 1950-1953 Military program records maintained cumulatively.

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY THAILAND

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $58.2 | $1.7 | $55.1 | $.9 | $33.6 | $8.2 |
| Army | 28.7 | * | 32.0 | .7 | 18.9 | 0 |
| Navy | 14.4 | .9 | 5.9 | .0 | 3.2 | 0 |
| Air Force | 15.1 | .8 | 17.2 | .2 | 11.5 | 8.2 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 18,900 |
| Tanks and Combat Vehicles | - | - | - | $ 4,310 |
| Light Tanks | 56 | 0 | 30 | $ 3,553 |
| Medium Tanks | 0 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 48 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 757 |
| Motor Transport Vehicles | - | - | - | $ 2,725 |
| 1/4 Ton Truck | 925 | 114 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 229 | 244 | 0 | $ 0 |
| 2½ Ton Cargo | 518 | 380 | 227 | $ 1,336 |
| Other Trucks | 37 | 73 | 136 | $ 1,141 |
| Trailers | 1,273 | 100 | 8 | $ 8 |
| Miscellaneous | - | - | - | $ 240 |
| Small Arms & Machine Guns | - | - | - | $ 421 |
| Total Pieces | 26,707 | 0 | 4,303 | $ 383 |
| Miscellaneous | - | - | - | $ 38 |
| Artillery | - | - | - | $ 171 |
| Total Pieces | 429 | 135 | 75 | $ 156 |
| Miscellaneous | - | - | - | $ 15 |
| Ammunition Small Arms & MG (Thous Rds) | 14,530 | 8,073 | 12,140 | $ 1,585 |
| Ammunition - Artillery (Thous Rds) | 277 | 391 | 409 | $ 7,684 |
| All Other | - | - | - | $ 2,004 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 3,200 |
| Vessels | 5 | 16 | 0 | $ 0 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 5 | 4 | 0 | $ 0 |
| Mine Vessels | 0 | 0 | 0 | $ 0 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 0 | 12 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 6 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 6 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 3,200 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 19,654 |
| A/C Spares & Aero Equip. | - | - | - | $ 15,134 |
| Day Fighters - Total | 86 | 27 | 83 | $ 9,972 |
| Conventional | 86 | 27 | 83 | $ 9,972 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 0 | 0 | 0 | $ 0 |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 0 | 3 | 0 | $ 0 |
| Trainers - Total | 30 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 30 | 0 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 5,162 |
| All Other | - | - | - | $ 4,520 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 424 | 389 | 110 | 344 |
| Army | 135 | 68 | 17 | 155 |
| Navy | 130 | 254 | 56 | 124 |
| Air Force | 159 | 67 | 37 | 65 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts.
* Less than $50,000

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REGIONAL PROJECTS DATA

ASIA AND THE PACIFIC

SUMMARY BY MAJOR COST COMPONENTS

**Country: REGIONAL**

(In thousands of dollars)

| Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians No. of Persons | U.S. Technicians Cost | Trainees No. of Persons | Trainees Cost |
| Technical Progress and Development | | | | | | | |
| 1952 | 155.6 | 72.3 | 83.3 | 1 | 83.3 | - | - |
| 1953 | 167.3 | 77.0 | 90.3 | 5 | 82.8 | 2 | 7.5 |
| 1954 | - | - | - | - | - | - | - |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U. S. Cost | (1) Agricul., Forestry &Fisheries | (2) Health and Sanitation | (3) Education | (4) Nat'l. Resources | (5) Industry Trade Labor | (6) Trans. And Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 155.6 | 142.1 | - | 8.5 | - | 5.0 | - | - | - | - |
| 1953 | 167.3 | 119.0 | - | 43.3 | - | - | - | - | 5.0 | - |
| 1954 | - | - | - | - | - | - | - | - | - | - |

DEPENDENT OVERSEAS TERRITORIES

ASIA AND THE PACIFIC

COMPARATIVE SUMMARY OF OBLIGATIONS

| Activity | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|---|
| (C) DEPENDENT OVERSEAS TERRITORIES IN ASIA AND THE PACIFIC | | | |
| Technical Progress and Development | $ 5,500 | $ 77,200 | $ 200,000 |
| Special Economic Assistance | -- | -- | 800,000 |
| | $ 5,500 | $ 77,200 | $ 1,000,000 |

DEPENDENT OVERSEAS TERRITORIES

ASIA AND THE PACIFIC

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | Agricul. Forestry and Fisheries | Health and Sanitation | Education | Natural Resources | Industry Trade Labor | Transp. and Comm. | Pub. Adm. | General Projects | Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| **Technical Progress and Development** | | | | | | | | | | |
| 1952 | 5.5) 1/ | | 5.5 | | | | | | | |
| 1953 | 77.2) 1/ | | 77.2 | | | | | | | |
| 1954 | 200.0 | 75.0 | 75.0 | 30. | | | | 20. | | |
| **Special Economic Assistance** | | | | | | | | | | |
| 1952 | | | | | | | | | | |
| 1953 | | | | | | | | | | |
| 1954 | 800.0 | | 400.0 | | | | 400.0 | | | |
| **Total All Programs** | | | | | | | | | | |
| 1952 | 5.5) 1/ | | 5.5 | | | | | | | |
| 1953 | 77.2) 1/ | | 77.2 | | | | | | | |
| 1954 | 1,000.0 | 75.0 | 475.0 | 30. | | | 400.0 | 20. | | |

1/ Technical Assistance Funds.

SUMMARY BY MAJOR COST COMPONENTS

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies and Equipment | Local Costs | Services: Total Service Cost | Services: U.S. Technicians No. of Persons | Services: U.S. Technicians Cost | Services: Trainees No. of Persons | Services: Trainees Cost |
|---|---|---|---|---|---|---|---|---|
| **Technical Progress and Development** | | | | | | | | |
| 1952 | 5.5) 1/ | | | 5.5 | 2 | 5.5 | | |
| 1953 | 77.2) 1/ | 50.0 | | 27.2 | 3 | 27.2 | | |
| 1954 | 200.0 | 60.0 | | 140.0 | 10 | 120.0 | 10 | 20.0 |
| **Basic Materials Development** | | | | | | | | |
| 1952 | | (Included in separate Basic Materials presentation) | | | | | | |
| 1953 | | | | | | | | |
| 1954 | | | | | | | | |
| **Special Economic Assistance** | | | | | | | | |
| 1952 | | | | | | | | |
| 1953 | | | | | | | | |
| 1954 | 800,000 | 800,000 | | | | | | |
| **Total All Programs** | | | | | | | | |
| 1952 | 5.5) 1/ | | | | | | | |
| 1953 | 77.2) 1/ | 50.0 | | | | | | |
| 1954 | 1,000.0 | 860.0 | | | | | | |

1/ Technical Assistance Funds.

DISTRIBUTION OF FY 1954 PROGRAM
BY AREA AND COUNTRY

(In thousands of dollars)

| Area and Country | I Mutual Def. Materiel & Training | II Mutual Defense & Financing | III Mutual Special Weapons Planning | IV Mutual Develop. & Tech. Program: Tech. Progress & Development Program | IV: Basic Materials Develop. | IV: Special Economic Assist. | V Multi-lateral Organizations | Total |
|---|---|---|---|---|---|---|---|---|
| Latin America | $20,414.5 | - | | $ 24,342.0 | | | | $44,756.5 |
| Bolivia | | | | 1,476.5 | | | | 1,476.5 |
| Brazil | 6,601.4 | | | 3,604.0 | | | | 10,205.4 |
| Chile | 1,905.2 | | | 1,729.9 | | | | 3,635.1 |
| Colombia | 3,181.4 | | | 1,707.3 | | | | 4,888.7 |
| Costa Rica | | | | 1,090.9 | | | | 1,090.9 |
| Cuba | 1,432.1 | | | 242.1 | | | | 1,674.2 |
| Dominican Republic | 408.0 | | | 523.4 | | | | 931.4 |
| Ecuador | 740.1 | | | 1,341.6 | | | | 2,081.7 |
| El Salvador | | | | 763.5 | | | | 763.5 |
| Guatemala | | | | 211.4 | | | | 211.4 |
| Haiti | | | | 808.6 | | | | 808.6 |
| Honduras | | | | 977.3 | | | | 977.3 |
| Mexico | | | | 1,257.4 | | | | 1,257.4 |
| Nicaragua | | | | 674.7 | | | | 674.7 |
| Panama | | | | 1,228.4 | | | | 1,228.4 |
| Paraguay | | | | 1,534.8 | | | | 1,534.8 |
| Peru | 2,007.5 | | | 2,054.8 | | | | 4,062.3 |
| Uruguay | 2,517.3 | | | 515.0 | | | | 3,032.3 |
| Venezuela | | | | 187.5 | | | | 187.5 |
| Regional Projects | | | | 1,245.9 | | | | 1,245.9 |
| DOT's | | | | 197.0 | | | | 197.0 |
| Undistributed | 1,621.5 | | | 970.0 | | | | 2,591.5 |

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY LATIN AMERICA

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $5.9 | $3.6 | $54.4 | $62.8 | $15.2 | $4.3 |
| Army | 4.2 | .8 | 30.1 | 1.9 | 2.0 | 0 |
| Navy | .6 | 0 | 10.7 | 52.8 | 5.9 | 0 |
| Air Force | 1.1 | 2.8 | 13.6 | 8.1 | 7.3 | 4.3 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 2,000 |
| Tanks and Combat Vehicles | - | - | - | $ 516 |
| Light Tanks | 0 | 21 | 0 | $ 0 |
| Medium Tanks | 0 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 24 | 171 | 16 | $ 501 |
| Miscellaneous | - | - | - | $ 15 |
| Motor Transport Vehicles | - | - | - | $ 184 |
| 1/4 Ton Truck | 60 | 392 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 45 | 141 | 0 | $ 0 |
| 2½ Ton Cargo | 160 | 343 | 9 | $ 53 |
| Other Trucks | 2 | 52 | 3 | $ 50 |
| Trailers | 169 | 600 | 1 | $ 1 |
| Miscellaneous | - | - | - | $ 80 |
| Small Arms & Machine Guns | - | - | - | $ 26 |
| Total Pieces | 2,127 | 1,891 | 175 | $ 21 |
| Miscellaneous | - | - | - | $ 5 |
| Artillery | - | - | - | $ 658 |
| Total Pieces | 52 | 195 | 9 | $ 618 |
| Miscellaneous | - | - | - | $ 40 |
| Ammunition Small Arms & MG (Thous Rds) | 1,548 | 8,577 | 0 | $ 0 |
| Ammunition - Artillery (Thous Rds) | 14 | 364 | 7 | $ 108 |
| All Other | - | - | - | $ 508 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 5,900 |
| Vessels | 0 | 9 | 0 | $ 0 |
| Major Combat | 0 | 8 | 0 | $ 0 |
| Patrol | 0 | 0 | 0 | $ 0 |
| Mine Vessels | 0 | 0 | 0 | $ 0 |
| Auxiliaries | 0 | 1 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 5,900 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 11,659 |
| A/C Spares & Aero Equip. | - | - | - | $ 9,960 |
| Day Fighters - Total | 28 | 42 | 3 | $ 400 |
| Conventional | 28 | 42 | 3 | $ 400 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 0 | 0 | 0 | $ 0 |
| Reconnaissance - Total | 0 | 5 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 5 | 0 | $ 0 |
| Bombers - Conventional | 0 | 12 | 18 | $ 4,710 |
| Transports - Conventional | 0 | 2 | 9 | $ 1,350 |
| Trainers - Total | 0 | 0 | 14 | $ 648 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 14 | $ 648 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 2,852 |
| All Other | - | - | - | $ 1,699 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 0 | 0 | 0 | 0 |
| Army | 0 | 0 | 0 | 0 |
| Navy | 0 | 0 | 0 | 0 |
| Air Force | 0 | 0 | 0 | 0 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts

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INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country: BRAZIL

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Total Service Cost | Services: U.S. Technicians No. of Persons | Services: U.S. Technicians Cost | Services: Trainees No. of Persons | Services: Trainees Cost |
|---|---|---|---|---|---|---|---|
| Technical Programs and Development | | | | | | | |
| 1952 | 2645.6 | 1509.1 | 1136.5 | 82 | 634.9 | 171 | 501.6 |
| 1953 | 3704.2 | 1786.4 | 1917.8 | 103 | 1197.7 | 168 | 720.1 |
| 1954 | 3771.7 | 1776.5 | 1995.2 | 129 | 1380.7 | 146 | 614.5 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Progress by Fiscal Year | (1) Total U. S. Cost | (2) Agricul., Forestry and Fisheries | (3) Health and Sanitation | (4) Education | (5) Natural Resources | (6) Industry Trade Labor | (7) Transp. and Comm. | (8) Pub. Adm. | (9) General Projects | Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 2645.6 | 403.2 | 741.2 | 421.7 | 193.4 | 69.0 | - | 211.6 | 515.0 | 90.5 |
| 1953 | 3704.2 | 679.7 | 806.9 | 460.7 | 292.5 | 429.2 | 142.1 | 251.0 | 483.2 | 158.9 |
| 1954 | 3771.7 | 859.9 | 904.9 | 613.6 | 223.2 | 427.5 | 240.0 | 187.6 | 147.3 | 167.7 |

COUNTRY PROGRAM SUMMARY

(In thousands of dollars)

| | FY 1953 | | FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel and Training | 36,008.8 | a/ | 6,601.4 |
| Technical Progress and Development | 3,704.2 | | 3,771.7 |
| | | | 10,373.1 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.

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DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY BRAZIL

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $0 | $0 | $21.6 | $58.8 | $6.1 | $0 |
| Army | 0 | 0 | 13.8 | 1.9 | 2.0 | 0 |
| Navy | 0 | 0 | 4.0 | 52.8 | 1.7 | 0 |
| Air Force | 0 | 0 | 3.9 | 4.2 | 2.4 | 0 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 2,000 |
| Tanks and Combat Vehicles | - | - | - | $ 516 |
| Light Tanks | 0 | 0 | 0 | $ 0 |
| Medium Tanks | 0 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 0 | 38 | 16 | $ 501 |
| Miscellaneous | - | - | - | $ 15 |
| Motor Transport Vehicles | - | - | - | $ 184 |
| 1/4 Ton Truck | 0 | 268 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 0 | 111 | 0 | $ 0 |
| 2½ Ton Cargo | 0 | 274 | 9 | $ 53 |
| Other Trucks | 0 | 49 | 3 | $ 50 |
| Trailers | 0 | 408 | 1 | $ 1 |
| Miscellaneous | - | - | - | $ 80 |
| Small Arms & Machine Guns | - | - | - | $ 26 |
| Total Pieces | 0 | 295 | 175 | $ 21 |
| Miscellaneous | - | - | - | $ 5 |
| Artillery | - | - | - | $ 658 |
| Total Pieces | 0 | 112 | 9 | $ 618 |
| Miscellaneous | - | - | - | $ 40 |
| Ammunition Small Arms & MG (Thous Rds) | 0 | 0 | 0 | $ 0 |
| Ammunition - Artillery (Thous Rds) | 0 | 153 | 7 | $ 108 |
| All Other | - | - | - | $ 508 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 1,700 |
| Vessels | 0 | 9 | 0 | $ 0 |
| Major Combat | 0 | 8 | 0 | $ 0 |
| Patrol | 0 | 0 | 0 | $ 0 |
| Mine Vessels | 0 | 0 | 0 | $ 0 |
| Auxiliaries | 0 | 1 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 1,700 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 2,432 |
| A/C Spares & Aero Equip. | - | - | - | $ 1,560 |
| Day Fighters - Total | 0 | 25 | 0 | $ 0 |
| Conventional | 0 | 25 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 0 | 0 | 0 | $ 0 |
| Reconnaissance - Total | 0 | 5 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 5 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 0 | 0 | 7 | $ 1,050 |
| Trainers - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 510 |
| All Other | - | - | - | $ 872 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 0 | 0 | 0 | 0 |
| Army | 0 | 0 | 0 | 0 |
| Navy | 0 | 0 | 0 | 0 |
| Air Force | 0 | 0 | 0 | 0 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts

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INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country: BOLIVIA

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| Technical Programs and Development | | | | | | | |
| 1952 | 1432.0 | 833.7 | 598.3 | 45 | 470.8 | 31 | 127.5 |
| 1953 | 1528.1 | 866.9 | 661.2 | 45 | 530.2 | 27 | 131.0 |
| 1954 | 1525.1 | 794.5 | 730.6 | 56 | 579.4 | 27 | 151.2 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | (1) Total U. S. Cost | (2) Agricul., Forestry and Fisheries | (3) Health and Sani-tation | (4) Educa-tion | (5) Natural Resources | (6) Industry Trade Labor | (7) Transp. and Comm. | (8) Pub. Adm. | (9) General Projects | Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 1432.0 | 524.9 | 427.0 | 317.8 | 55.4 | - | 67.1 | - | - | 39.8 |
| 1953 | 1528.1 | 577.8 | 400.6 | 353.1 | 60.0 | 39.1 | 55.7 | - | - | 41.8 |
| 1954 | 1525.1 | 535.0 | 367.3 | 354.0 | 67.0 | 87.4 | 53.3 | 12.5 | - | 48.6 |

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INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country: CHILE

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Total Service Cost | Services: U.S. Technicians No. of Persons | Services: U.S. Technicians Cost | Services: Trainees No. of Persons | Services: Trainees Cost |
|---|---|---|---|---|---|---|---|
| Technical Programs and Development | | | | | | | |
| 1952 | 1069.3 | 750.3 | 319.0 | 18 | 168.4 | 36 | 150.6 |
| 1953 | 1313.3 | 803.0 | 510.3 | 29 | 329.6 | 35 | 180.7 |
| 1954 | 1777.7 | 1138.3 | 639.4 | 35 | 437.7 | 40 | 201.7 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Progress by Fiscal Year | Total U. S. Cost | (1) Agricul., Forestry and Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 1069.3 | 514.1 | 396.2 | 32.4 | 9.1 | 65.6 | - | 32.2 | - | 19.7 |
| 1953 | 1313.3 | 511.3 | 465.9 | 20.8 | 19.1 | 192.2 | - | 66.6 | - | 37.4 |
| 1954 | 1777.7 | 585.9 | 494.5 | 214.8 | 39.0 | 315.1 | 15.0 | 65.6 | - | 47.8 |

COUNTRY PROGRAM SUMMARY

(In thousands of dollars)

| | FY 1953 | FY 1954 |
|---|---|---|
| Mutual Defense Materiel and Training | 12,735.9 a/ | 1,905.2 |
| Technical Progress and Development | 1,313.3 | 1,777.7 |
| | | 3,682.9 |

a/ Cumulative program 1950-1953. Military program records Maintained cumulatively.

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DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY CHILE

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $.5 | $2.5 | $10.2 | $1.1 | $1.5 | $1.8 |
| Army | .3 | .8 | 6.5 | 0 | 0 | 0 |
| Navy | .1 | .0 | 1.7 | 0 | 1 | 0 |
| Air Force | .1 | 1.7 | 2.0 | 0 | 1.4 | 1.8 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 0 |
| Tanks and Combat Vehicles | - | - | - | $ 0 |
| Light Tanks | 0 | 21 | 0 | $ 0 |
| Medium Tanks | 0 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 0 | 29 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Motor Transport Vehicles | - | - | - | $ 0 |
| 1/4 Ton Truck | 0 | 99 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 0 | 7 | 0 | $ 0 |
| 2½ Ton Cargo | 0 | 22 | 0 | $ 0 |
| Other Trucks | 0 | 1 | 0 | $ 0 |
| Trailers | 0 | 64 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Small Arms & Machine Guns | - | - | - | $ 0 |
| Total Pieces | 432 | 625 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Artillery | - | - | - | $ 0 |
| Total Pieces | 4 | 11 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Ammunition Small Arms & MG (Thous Rds) | 12 | 2,481 | 0 | $ 0 |
| Ammunition - Artillery (Thous Rds) | 0 | 60 | 0 | $ 0 |
| All Other | - | - | - | $ 0 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 100 |
| Vessels | 0 | 0 | 0 | $ 0 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 0 | 0 | 0 | $ 0 |
| Mine Vessels | 0 | 0 | 0 | $ 0 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 100 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 3,193 |
| A/C Spares & Aero Equip. | - | - | - | $ 2,915 |
| Day Fighters - Total | 17 | 0 | 0 | $ 0 |
| Conventional | 17 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 0 | 0 | 0 | $ 0 |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 6 | 9 | $ 2,355 |
| Transports - Conventional | 0 | 0 | 0 | $ 0 |
| Trainers - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 560 |
| All Other | - | - | - | $ 278 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 0 | 0 | 0 | 0 |
| Army | 0 | 0 | 0 | 0 |
| Navy | 0 | 0 | 0 | 0 |
| Air Force | 0 | 0 | 0 | 0 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts

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INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country: COLOMBIA

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| Technical Programs and Development | | | | | | | |
| 1952 | 721.8 | 357.6 | 364.2 | 16 | 216.2 | 56 | 148.0 |
| 1953 | 1004.3 | 587.5 | 416.8 | 39 | 334.0 | 19 | 82.8 |
| 1954 | 1788.1 | 932.5 | 855.6 | 50 | 487.3 | 74 | 368.3 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | (1) Total U.S. Cost | (2) Agricul., Forestry and Fisheries | (3) Health and Sanitation | (4) Education | (5) Natural Resources | (6) Industry Trade Labor | (7) Transp. and Comm. | (8) Pub. Adm. | (9) General Projects | Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 721.8 | 233.9 | 351.6 | - | 32.2 | 2.5 | 80.4 | - | - | 21.2 |
| 1953 | 1004.3 | 487.2 | 305.1 | - | 96.9 | 21.8 | 44.3 | 15.4 | - | 33.6 |
| 1954 | 1788.1 | 672.5 | 455.2 | 21.3 | 160.0 | 182.6 | 156.2 | 59.5 | - | 80.8 |

COUNTRY PROGRAM SUMMARY
(In thousands of dollars)

| | FY 1953 | | FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel and Training | 8,429.7 | a/ | 3,181.4 |
| Technical Progress and Development | 1,004.3 | | 1,788.1 |
| | | | 4,969.5 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.

SECRET ~~Security Information~~

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DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY COLOMBIA

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $2.3 | $ * | $4.9 | $1.8 | $2.0 | $.3 |
| Army | 2.0 | 0 | 2.0 | 0 | 0 | 0 |
| Navy | 0 | 0 | 1.6 | 0 | 1.5 | 0 |
| Air Force | .3 | * | 1.3 | 1.8 | .5 | .3 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 0 |
| Tanks and Combat Vehicles | - | - | - | $ 0 |
| Light Tanks | 0 | 0 | 0 | $ 0 |
| Medium Tanks | 0 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 12 | 20 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Motor Transport Vehicles | - | - | - | $ 0 |
| 1/4 Ton Truck | 25 | 0 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 29 | 0 | 0 | $ 0 |
| 2½ Ton Cargo | 99 | 0 | 0 | $ 0 |
| Other Trucks | 1 | 0 | 0 | $ 0 |
| Trailers | 91 | 26 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Small Arms & Machine Guns | - | - | - | $ 0 |
| Total Pieces | 237 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Artillery | - | - | - | $ 0 |
| Total Pieces | 32 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Ammunition Small Arms & MG (Thous Rds) | 187 | 1,496 | 0 | $ 0 |
| Ammunition - Artillery (Thous Rds) | 6 | 19 | 0 | $ 0 |
| All Other | - | - | - | $ 0 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 1,500 |
| Vessels | 0 | 0 | 0 | $ 0 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 0 | 0 | 0 | $ 0 |
| Mine Vessels | 0 | 0 | 0 | $ 0 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 1,500 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 755 |
| A/C Spares & Aero Equip. | - | - | - | $ 655 |
| Day Fighters - Total | 0 | 11 | 3 | $ 400 |
| Conventional | 0 | 11 | 3 | $ 400 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 0 | 0 | 0 | $ 0 |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 4 | 0 | $ 0 |
| Transports - Conventional | 0 | 0 | 0 | $ 0 |
| Trainers - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 255 |
| All Other | - | - | - | $ 100 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 0 | 0 | 0 | 0 |
| Army | 0 | 0 | 0 | 0 |
| Navy | 0 | 0 | 0 | 0 |
| Air Force | 0 | 0 | 0 | 0 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts
* Less than $50,000

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[redacted] Security Information

INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country: COSTA RICA

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| Technical Programs and Development | | | | | | | |
| 1952 | 1291.4 | 882.0 | 409.4 | 31 | 317.8 | 42 | 91.6 |
| 1953 | 877.1 | 381.8 | 495.3 | 33 | 437.0 | 15 | 58.3 |
| 1954 | 1133.4 | 495.8 | 637.6 | 41 | 521.3 | 29 | 116.3 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul., Forestry and Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 1291.4 | 947.0 | 228.2 | - | - | - | 31.4 | 54.1 | - | 30.7 |
| 1953 | 877.1 | 511.5 | 201.4 | - | 14.2 | - | 51.7 | 70.6 | - | 27.7 |
| 1954 | 1133.4 | 542.4 | 319.8 | - | 15.5 | 35.5 | 58.4 | 119.3 | - | 42.5 |

INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country: CUBA

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U. S. Technicians | | Trainees | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| Technical Programs and Development | | | | | | | |
| 1952 | 153.5 | 43.3 | 110.2 | 6 | 51.8 | 24 | 58.4 |
| 1953 | 257.2 | 107.0 | 150.2 | 11 | 131.7 | 9 | 18.5 |
| 1954 | 257.5 | 32.9 | 224.6 | 17 | 188.6 | 9 | 36.0 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul., Forestry and Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Admin. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Programs and Development | | | | | | | | | | |
| 1952 | 153.5 | 124.4 | 15.8 | - | - | - | - | 4.8 | - | 8.5 |
| 1953 | 257.2 | 156.2 | - | - | 77.2 | - | 3.2 | 8.9 | - | 11.7 |
| 1954 | 257.5 | 138.5 | - | - | 45.3 | - | 35.9 | 22.4 | - | 15.4 |

COUNTRY PROGRAM SUMMARY

(In thousands of dollars)

| | FY 1953 | FY 1954 |
|---|---|---|
| Mutual Defense Materiel and Training | $ 3,212.8 a/ | $ 1,432.1 |
| Technical Progress and Development | 257.2 | 257.5 |
| | | 1,689.6 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.

SECRET - Security Information

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY CUBA

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $.3 | * | $2.0 | * | $1.0 | $0 |
| Army | 0 | 0 | 0 | 0 | 0 | 0 |
| Navy | .1 | 0 | .3 | 0 | .4 | 0 |
| Air Force | .2 | * | 1.7 | * | .6 | 0 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 0 |
| Tanks and Combat Vehicles | - | - | - | $ 0 |
| Light Tanks | 0 | 0 | 0 | $ 0 |
| Medium Tanks | 0 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Motor Transport Vehicles | - | - | - | $ 0 |
| 1/4 Ton Truck | 0 | 0 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 0 | 0 | 0 | $ 0 |
| 2½ Ton Cargo | 0 | 0 | 0 | $ 0 |
| Other Trucks | 0 | 0 | 0 | $ 0 |
| Trailers | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Small Arms & Machine Guns | - | - | - | $ 0 |
| Total Pieces | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Artillery | - | - | - | $ 0 |
| Total Pieces | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Ammunition Small Arms & MG (Thous Rds) | 0 | 0 | 0 | $ 0 |
| Ammunition - Artillery (Thous Rds) | 0 | 0 | 0 | $ 0 |
| All Other | - | - | - | $ 0 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 400 |
| Vessels | 0 | 0 | 0 | $ 0 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 0 | 0 | 0 | $ 0 |
| Mine Vessels | 0 | 0 | 0 | $ 0 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 400 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 618 |
| A/C Spares & Aero Equip. | - | - | - | $ 537 |
| Day Fighters - Total | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 0 | 0 | 0 | $ 0 |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 0 | 2 | 2 | $ 300 |
| Trainers - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 237 |
| All Other | - | - | - | $ 81 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 0 | 0 | 0 | 0 |
| Army | 0 | 0 | 0 | 0 |
| Navy | 0 | 0 | 0 | 0 |
| Air Force | 0 | 0 | 0 | 0 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts
* Less than $50,000

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SECRET - Security Information

INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country: Dominican Republic

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| Technical Programs and Development | | | | | | | |
| 1952 | 212.5 | 137.2 | 75.3 | 7 | 66.3 | 9 | 9.0 |
| 1953 | 360.0 | 178.1 | 181.9 | 11 | 143.3 | 10 | 38.6 |
| 1954 | 546.5 | 245.8 | 300.7 | 19 | 224.1 | 18 | 76.6 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Program by Fiscal Year | Total U.S. Cost | (1) Agricul., Forestry and Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 212.5 | 55.6 | - | 147.5 | - | - | - | 2.6 | - | 6.8 |
| 1953 | 360.0 | 71.2 | 26.8 | 202.0 | 3.3 | 44.4 | - | - | - | 12.3 |
| 1954 | 546.5 | 148.6 | 115.7 | 228.2 | 3.3 | 14.6 | 3.2 | 9.8 | - | 23.1 |

COUNTRY PROGRAM SUMMARY
(In thousands of dollars)

| | FY 1953 | FY 1954 |
|---|---|---|
| Mutual Defense Materiel and Training | $ 975.8 a/ | $ 408.0 |
| Technical Progress and Development | 360.0 | 546.5 |
| | | 954.5 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY DOMINICAN REPUBLIC

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $0 | $0 | $.4 | $0 | $.2 | $0 |
| Army | 0 | 0 | 0 | 0 | 0 | 0 |
| Navy | 0 | 0 | .4 | 0 | .2 | 0 |
| Air Force | 0 | 0 | 0 | 0 | 0 | 0 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 0 |
| Tanks and Combat Vehicles | - | - | - | $ 0 |
| Light Tanks | 0 | 0 | 0 | $ 0 |
| Medium Tanks | 0 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Motor Transport Vehicles | - | - | - | $ 0 |
| 1/4 Ton Truck | 0 | 0 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 0 | 0 | 0 | $ 0 |
| 2½ Ton Cargo | 0 | 0 | 0 | $ 0 |
| Other Trucks | 0 | 0 | 0 | $ 0 |
| Trailers | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Small Arms & Machine Guns | - | - | - | $ 0 |
| Total Pieces | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Artillery | - | - | - | $ 0 |
| Total Pieces | 0 | 0 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Ammunition Small Arms & MG (Thous Rds) | 0 | 0 | 0 | $ 0 |
| Ammunition - Artillery (Thous Rds) | 0 | 0 | 0 | $ 0 |
| All Other | - | - | - | $ 0 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 200 |
| Vessels | 0 | 0 | 0 | $ 0 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 0 | 0 | 0 | $ 0 |
| Mine Vessels | 0 | 0 | 0 | $ 0 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 200 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 0 |
| A/C Spares & Aero Equip. | - | - | - | $ 0 |
| Day Fighters - Total | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 0 | 0 | 0 | $ 0 |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 0 | 0 | 0 | $ 0 |
| Trainers - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 0 |
| All Other | - | - | - | $ 0 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 0 | 0 | 0 | 0 |
| Army | 0 | 0 | 0 | 0 |
| Navy | 0 | 0 | 0 | 0 |
| Air Force | 0 | 0 | 0 | 0 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts

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SECRET - Security Information

INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country: ECUADOR

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Total Service Cost | Services | | | |
|---|---|---|---|---|---|---|---|
| | | | | U.S. Technicians | | Trainees | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| Technical Programs and Development | | | | | | | |
| 1952 | 1279.0 | 726.2 | 552.8 | 35 | 409.6 | 34 | 152.2 |
| 1953 | 1407.0 | 742.2 | 664.8 | 38 | 523.4 | 30 | 141.4 |
| 1954 | 1399.6 | 591.5 | 808.1 | 51 | 613.5 | 43 | 194.3 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul., Forestry and Fisheries | (2)* Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 1279.0 | 447.7 | 415.0 | 248.3 | - | 77.4 | 44.1 | 10.8 | - | 35.7 |
| 1953 | 1407.0 | 395.1 | 473.4 | 286.0 | 17.0 | 70.6 | 81.4 | 43.9 | - | 39.6 |
| 1954 | 1399.6 | 374.1 | 446.7 | 240.5 | 18.5 | 130.1 | 109.7 | 22.0 | - | 58.0 |

COUNTRY PROGRAM SUMMARY

COUNTRY PROGRAM SUMMARY
(In thousands of dollars)

| | FY 1953 | FY 1954 |
|---|---|---|
| Mutual Defense Materiel and Training | $ 4,729.2 a/ | $ 740.1 |
| Technical Progress and Development | 1,407.0 | 1,399.6 |
| | | 2,139.7 |

a/ Cumulative program 1950-1953. Military program records maintained cumulatively.

SECRET - Security Information

SECRET [redacted] Information

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY ECUADOR

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $.9 | $1.1 | $3.3 | $0 | $.5 | $.1 |
| Army | .7 | 0 | 2.0 | 0 | 0 | 0 |
| Navy | 0 | 0 | .4 | 0 | .1 | 0 |
| Air Force | .2 | 1.1 | .9 | 0 | .4 | .1 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 0 |
| Tanks and Combat Vehicles | - | - | - | $ 0 |
| Light Tanks | 0 | 0 | 0 | $ 0 |
| Medium Tanks | 0 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 0 | 32 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Motor Transport Vehicles | - | - | - | $ 0 |
| 1/4 Ton Truck | 10 | 0 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 5 | 0 | 0 | $ 0 |
| 2½ Ton Cargo | 19 | 5 | 0 | $ 0 |
| Other Trucks | 0 | 1 | 0 | $ 0 |
| Trailers | 20 | 16 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Small Arms & Machine Guns | - | - | - | $ 0 |
| Total Pieces | 626 | 1 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Artillery | - | - | - | $ 0 |
| Total Pieces | 4 | 20 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Ammunition Small Arms & MG (Thous Rds) | 854 | 1,007 | 0 | $ 0 |
| Ammunition - Artillery (Thous Rds) | 2 | 36 | 0 | $ 0 |
| All Other | - | - | - | $ 0 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 100 |
| Vessels | 0 | 0 | 0 | $ 0 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 0 | 0 | 0 | $ 0 |
| Mine Vessels | 0 | 0 | 0 | $ 0 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 100 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 536 |
| A/C Spares & Aero Equip. | - | - | - | $ 472 |
| Day Fighters - Total | 11 | 0 | 0 | $ 0 |
| Conventional | 11 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 0 | 0 | 0 | $ 0 |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 0 | 0 | 0 | $ 0 |
| Trainers - Total | 0 | 0 | 4 | $ 185 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 4 | $ 185 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 287 |
| All Other | - | - | - | $ 64 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 0 | 0 | 0 | 0 |
| Army | 0 | 0 | 0 | 0 |
| Navy | 0 | 0 | 0 | 0 |
| Air Force | 0 | 0 | 0 | 0 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts

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INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country: El Salvador

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| Technical Programs and Development | | | | | | | |
| 1952 | 448.5 | 138.8 | 309.7 | 20 | 209.5 | 47 | 100.2 |
| 1953 | 768.3 | 328.2 | 440.1 | 30 | 382.3 | 15 | 57.8 |
| 1954 | 799.0 | 302.4 | 496.6 | 36 | 404.9 | 23 | 91.7 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | (1) Total U.S. Cost | (2) Agricul., Forestry and Fisheries | (3) Health and Sanitation | (4) Education | (5) Natural Resources | (6) Industry Trade Labor | (7) Transp. and Comm. | (8) Publ. Adm. | (9) General Projects | Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 448.5 | 223.3 | 149.0 | 29.1 | - | 3.7 | - | 20.5 | - | 22.9 |
| 1953 | 768.3 | 201.9 | 287.2 | 55.0 | - | 186.7 | - | 11.5 | - | 26.0 |
| 1954 | 799.0 | 235.0 | 287.4 | 56.3 | - | 151.8 | - | 33.0 | - | 35.5 |

INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country: GUATEMALA

(In thousands of dollars)

| Program by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians No. of Persons | U.S. Technicians Cost | Trainees No. of Persons | Trainees Cost |
| Technical Programs and Development | | | | | | | |
| 1952 | 211.8 | 48.7 | 163.1 | 9 | 163.1 | -- | -- |
| 1953 | 216.5 | 100.7 | 115.8 | 9 | 115.8 | -- | -- |
| 1954 | 215.9 | 99.9 | 116.0 | 9 | 116.0 | -- | -- |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | (1) Total U.S. Cost | (2) Agricul., Forestry and Fisheries | (3) Health and Sanitation | (4) Education | (5) Natural Resources | (6) Industry Trade Labor | (7) Transp. and Comm. | (8) Pub. Adm. | (9) General Projects | Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 211.8 | 137.4 | 67.4 | - | - | - | - | - | - | 7.0 |
| 1953 | 216.5 | 151.4 | 60.0 | - | - | - | - | - | - | 5.1 |
| 1954 | 215.9 | 151.4 | 60.0 | - | - | - | - | - | - | 4.5 |

INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country: HAITI

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Service Cost | U. S. Technicians | | Trainees | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| Technical Programs and Development | | | | | | | |
| 1952 | 640.0 | 338.6 | 301.4 | 20 | 229.3 | 22 | 72.1 |
| 1953 | 669.6 | 328.8 | 340.8 | 21 | 272.8 | 18 | 68.0 |
| 1954 | 841.7 | 409.1 | 432.6 | 27 | 328.5 | 26 | 104.1 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul., Forestry and Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 640.0 | 320.0 | 279.4 | - | - | - | - | 21.7 | - | 18.9 |
| 1953 | 669.6 | 395.0 | 216.3 | - | - | 9.7 | - | 25.9 | - | 22.7 |
| 1954 | 841.7 | 435.0 | 302.5 | - | - | 24.8 | - | 46.3 | - | 33.1 |

INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country HONDURAS

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians No. of Persons | U.S. Technicians Cost | Trainees No. of Persons | Trainees Cost |
| Technical Programs and Development | | | | | | | |
| 1952 | 645.4 | 387.0 | 258.4 | 18 | 183.8 | 32 | 74.6 |
| 1953 | 819.3 | 411.7 | 407.6 | 25 | 329.8 a/ | 20 | 77.8 |
| 1954 | 1008.4 | 575.0 | 433.4 | 29 | 345.4 | 22 | 88.0 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul., Forestry and Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 645.4 | 282.7 | 158.0 | 132.5 | - | - | 18.1 | 35.1 | - | 19.0 |
| 1953 | 819.3 | 291.3 | 189.9 | 183.3 | 10.5 | 24.6 | 71.2 | 22.3 | - | 26.2 |
| 1954 | 1008.4 | 436.0 | 229.4 | 197.9 | 6.5 | 20.9 | 70.6 | 16.0 | - | 31.1 |

a/ Comprised of salaries, allowances, international travel

INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country MEXICO

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| Technical Programs and Development | | | | | | | |
| 1952 | 729.2 | 272.3 | 456.9 | 32 | 273.3 | 69 | 183.6 |
| 1953 | 825.1 | 266.3 | 558.8 | 39 | 414.1 | 36 | 144.7 |
| 1954 | 1320.7 | 545.9 | 774.8 | 51 | 584.6 | 50 | 190.2 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul., Forestry and Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 729.2 | 141.2 | 305.5 | 3.0 | 193.2 | - | - | 50.7 | - | 35.6 |
| 1953 | 825.1 | 130.5 | 333. 9 | - | 180.9 | 62.2 | 42.5 | 31.3 | - | 43.8 |
| 1954 | 1320.7 | 365.7 | 457.6 | 37.9 | 252.9 | 47.7 | 52. 0 | 43.6 | - | 63.3 |

INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country NICARAGUA

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| Technical Programs and Development | | | | | | | |
| 1952 | 598.7 | 331.8 | 266.9 | 24 | 224.6 | 25 | 42.3 |
| 1953 | 823.3 | 434.7 | 388.6 | 27 | 330.3 | 16 | 58.3 |
| 1954 | 699.3 | 312.3 | 387.0 | 28 | 323.5 | 14 | 63.5 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In Thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul., Forestry and Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 598.7 | 172.4 | 162.5 | 196.3 | 24.8 | - | - | 20.2 | - | 22.5 |
| 1953 | 823.3 | 335.1 | 219.9 | 195.7 | 22.5 | - | - | 25.2 | - | 24.9 |
| 1954 | 699.3 | 213.4 | 209.3 | 202.8 | 36.3 | - | - | 12. 9 | - | 24.6 |

INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country PANAMA

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| Technical Programs and Development | | | | | | | |
| 1952 | 1311.1 | 1026.0 | 285.1 | 20 | 192.1 | 29 | 93.0 |
| 1953 | 987.1 | 453.4 | 533.7 | 38 | 425.3 | 25 | 108.4 |
| 1954 | 1272.1 | 659.0 | 613.1 | 45 | 487.4 | 28 | 125.7 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Program by Fiscal Year | Total U.S. Cost | (1) Agricul., Forestry and Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 1311.1 | 827.2 | 185.9 | 240.9 | - | - | 20.6 | 16.4 | - | 20.1 |
| 1953 | 987.1 | 317.9 | 247.0 | 288.8 | - | 34.0 | 36.8 | 26.0 | - | 36.6 |
| 1954 | 1272.1 | 609.5 | 261.9 | 277.8 | - | 38.2 | 17.9 | 23.1 | - | 43.7 |

INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country **PARAGUAY**

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| Technical Programs and Development | | | | | | | |
| 1952 | 1168.3 | 630.2 | 538.1 | 45 | 450.4 | 22 | 87.7 |
| 1953 | 1755.9 | 1013.5 | 742.4 | 48 | 630.9 | 23 | 111.5 |
| 1954 | 1584.4 | 745.8 | 838.6 | 55 | 677.8 | 29 | 160.8 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul., Forestry and Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 1168.3 | 545.4 | 258.6 | 191.5 | 19.6 | - | 22. 8 | 92.0 | - | 38.4 |
| 1953 | 1755.9 | 510.0 | 264.4 | 644.1 | 38.6 | 38.1 | 79.7 | 139.9 | - | 41.1 |
| 1954 | 1584.4 | 534.4 | 304.7 | 336.1 | 75.0 | 18.1 | 49.2 | 217.3 | - | 49.6 |

SECRET - Security Information

INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country Peru

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians No. of Persons | U.S. Technicians Cost | Trainees No. of Persons | Trainees Cost |
| Technical Progress and Development | | | | | | | |
| 1952 | 1767.4 | 934.7 | 832.7 | 60 | 566.9 | 77 | 265.8 |
| 1953 | 2069.9 | 1067.5 | 1002.4 | 62 | 785.6 | 45 | 216.8 |
| 1954 | 2140.7 | 1082.4 | 1058.3 | 69 | 742.1 | 68 | 316.2 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul., Forestry and Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 1767.4 | 733.8 | 385.0 | 462.0 | 52.8 | - | 6.5 | 68.6 | - | 58.7 |
| 1953 | 2069.9 | 996.4 | 397.0 | 410.9 | 78.0 | 41.5 | 41.4 | 42.5 | - | 62.2 |
| 1954 | 2140.7 | 938.4 | 431.8 | 365.0 | 54.3 | 94.2 | 72.0 | 99.1 | - | 85.9 |

COUNTRY PROGRAM SUMMARY

(In thousands of dollars)

| | FY 1953 | | FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel and Training | $8,481.3 | a/ | $ 2,007.5 |
| Technical Progress and Development | 2,069.9 | | 2,140.7 |
| | | | 4,148.2 |

a/ Cumulative Program 1950-1953. Military program records maintained cumulatively.

SECRET - Security Information

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY PERU

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $1.9 | * | $5.9 | $1.0 | $1.6 | $1.8 |
| Army | 1.2 | 0 | 2.2 | 0 | 0 | 0 |
| Navy | .4 | 0 | 1.3 | 0 | .2 | 0 |
| Air Force | .3 | * | 2.4 | 1.0 | 1.4 | 1.8 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 0 |
| Tanks and Combat Vehicles | - | - | - | $ 0 |
| Light Tanks | 0 | 0 | 0 | $ 0 |
| Medium Tanks | 0 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 12 | 20 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Motor Transport Vehicles | - | - | - | $ 0 |
| 1/4 Ton Truck | 25 | 0 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 11 | 6 | 0 | $ 0 |
| 2½ Ton Cargo | 42 | 0 | 0 | $ 0 |
| Other Trucks | 1 | 0 | 0 | $ 0 |
| Trailers | 58 | 14 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Small Arms & Machine Guns | - | - | - | $ 0 |
| Total Pieces | 832 | - | - | $ |
| Miscellaneous | - | - | - | $ 0 |
| Artillery | - | - | - | $ 0 |
| Total Pieces | 12 | 20 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Ammunition Small Arms & MG (Thous Rds) | 495 | 1,516 | 0 | $ 0 |
| Ammunition - Artillery (Thous Rds) | 6 | 45 | 0 | $ 0 |
| All Other | - | - | - | $ 0 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 200 |
| Vessels | 0 | 0 | 0 | $ 0 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 0 | 0 | 0 | $ 0 |
| Mine Vessels | 0 | 0 | 0 | $ 0 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 200 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 3,191 |
| A/C Spares & Aero Equip. | - | - | - | $ 2,931 |
| Day Fighters - Total | 0 | 6 | 0 | $ 0 |
| Conventional | 0 | 6 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 0 | 0 | 0 | $ 0 |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 2 | 9 | $ 2,355 |
| Transports - Conventional | 0 | 0 | 0 | $ 0 |
| Trainers - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 576 |
| All Other | - | - | - | $ 260 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 0 | 0 | 0 | 0 |
| Army | 0 | 0 | 0 | 0 |
| Navy | 0 | 0 | 0 | 0 |
| Air Force | 0 | 0 | 0 | 0 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts.
* Less than $50,000.

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INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country URUGUAY

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians No. of Persons | U.S. Technicians Cost | Trainees No. of Persons | Trainees Cost |
| Technical Progress and Development | | | | | | | |
| 1952 | 374.0 | 216.5 | 157.5 | 10 | 74.8 | 23 | 82.7 |
| 1953 | 391.8 | 124.9 | 266.9 | 11 | 145.7 | 25 | 121.2 |
| 1954 | 538.4 | 257.5 | 280.9 | 15 | 188.8 | 21 | 92.1 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul., Forestry and Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 374.0 | 196.5 | 111.3 | - | - | - | - | 54.8 | - | 11.4 |
| 1953 | 391.8 | 86.6 | 163.8 | - | - | 63.5 | 8.5 | 48.2 | - | 21.2 |
| 1954 | 538.4 | 163.6 | 177.0 | - | - | 155.0 | - | 19.4 | - | 23.4 |

COUNTRY PROGRAM SUMMARY
(In thousands of dollars)

| | FY 1953 | | FY 1954 |
|---|---|---|---|
| Mutual Defense Materiel and Training | $ 6,173.0 | a/ | $ 2,517.3 |
| Technical Progress and Development | 391.8 | | 538.4 |
| | | | 3,055.7 |

a/ Cumulative Program 1950-1953. Military program records maintained cumulatively.

SECRET [redacted] Information

DEPARTMENT OF DEFENSE
MDAP
STATUS OF MATERIEL AND TRAINING PROGRAMS
As of 31 May 1953

COUNTRY URUGUAY

VALUE OF MATERIEL PROGRAMS FY 1950-53 AND FY 1954
(Millions of Dollars)

| | FY 1950 - 1953 Program | | | | Proposed FY 1954 Program | |
|---|---|---|---|---|---|---|
| | Shipped | | To Be Shipped | | | |
| | Charged to Appropriation | Excess | Chargeable to Appropriation | Excess | Chargeable to Appropriation | Excess |
| TOTAL | $0 | $0 | $6.0 | $.1 | $2.3 | $.3 |
| Army | 0 | 0 | 3.6 | 0 | 0 | 0 |
| Navy | 0 | 0 | 1.1 | 0 | 1.7 | 0 |
| Air Force | 0 | 0 | 1.3 | .1 | .6 | .3 |

MATERIEL PROGRAMS
QUANTITY OF SELECTED MAJOR ITEMS FY 1950-53, FY 1954 AND VALUES FY 1954
(Values in Thousands of Dollars)

| ARMY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 0 |
| Tanks and Combat Vehicles | - | - | - | $ 0 |
| Light Tanks | 0 | 0 | 0 | $ 0 |
| Medium Tanks | 0 | 0 | 0 | $ 0 |
| Other Combat Vehicles | 0 | 32 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Motor Transport Vehicles | - | - | - | $ 0 |
| 1/4 Ton Truck | 0 | 25 | 0 | $ 0 |
| 3/4 Ton Weapons Carrier | 0 | 17 | 0 | $ 0 |
| 2½ Ton Cargo | 0 | 42 | 0 | $ 0 |
| Other Trucks | 0 | 1 | 0 | $ 0 |
| Trailers | 0 | 72 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Small Arms & Machine Guns | - | - | - | $ 0 |
| Total Pieces | 0 | 970 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Artillery | - | - | - | $ 0 |
| Total Pieces | 0 | 32 | 0 | $ 0 |
| Miscellaneous | - | - | - | $ 0 |
| Ammunition Small Arms & MG (Thous Rds) | 0 | 2,077 | 0 | $ 0 |
| Ammunition - Artillery (Thous Rds) | 0 | 51 | 0 | $ 0 |
| All Other | - | - | - | $ 0 |

| NAVY | FY 1950-53 Program Quantities Shipped | FY 1950-53 Program Quan. To Be Shipped | Proposed FY 1954 Program Quantity | Proposed FY 1954 Program Value |
|---|---|---|---|---|
| Total Materiel Program | - | - | - | $ 1,700 |
| Vessels | 0 | 0 | 0 | $ 0 |
| Major Combat | 0 | 0 | 0 | $ 0 |
| Patrol | 0 | 0 | 0 | $ 0 |
| Mine Vessels | 0 | 0 | 0 | $ 0 |
| Auxiliaries | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Aircraft, Spare Parts, and Aero Equip. | - | - | - | $ 0 |
| Aircraft - Total | 0 | 0 | 0 | $ 0 |
| Fighters | 0 | 0 | 0 | $ 0 |
| Bombers and Patrol | 0 | 0 | 0 | $ 0 |
| Other | 0 | 0 | 0 | $ 0 |
| Other Aero Equipment | - | - | - | $ 0 |
| All Other | - | - | - | $ 1,700 |
| **AIR FORCE** | | | | |
| Total Materiel Program | - | - | - | $ 934 |
| A/C Spares & Aero Equip. | - | - | - | $ 890 |
| Day Fighters - Total | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| All Weather Fighters—Jet | 0 | 0 | 0 | $ 0 |
| Fighter Bombers - Jet | 0 | 0 | 0 | $ 0 |
| Reconnaissance - Total | 0 | 0 | 0 | $ 0 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 0 | $ 0 |
| Bombers - Conventional | 0 | 0 | 0 | $ 0 |
| Transports - Conventional | 0 | 0 | 0 | $ 0 |
| Trainers - Total | 0 | 0 | 10 | $ 463 |
| Jet | 0 | 0 | 0 | $ 0 |
| Conventional | 0 | 0 | 10 | $ 463 |
| Other Aircraft | 0 | 0 | 0 | $ 0 |
| Initial Spares & Aero. Equip. Total | - | - | - | $ 427 |
| All Other | - | - | - | $ 44 |

TRAINING PROGRAMS
FORMAL TRAINING COURSES (U. S. AND OVERSEAS)

| | Programmed FY 1950 - 1953 | Completed 31 May 1953 | In Training 31 May 1953 | Proposed FY 1954 Program |
|---|---|---|---|---|
| TOTAL | 0 | 0 | 0 | 0 |
| Army | 0 | 0 | 0 | 0 |
| Navy | 0 | 0 | 0 | 0 |
| Air Force | 0 | 0 | 0 | 0 |

Notes: Further detail on Proposed FY 1954 Materiel Programs will be found in Volume A for Department of the Army, Volume B for Department of the Navy and Volume C for Department of the Air Force.
Country Force Data submitted separately because of security considerations.

Note: Totals are based on unrounded figures, hence may vary from totals of rounded amounts

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SECRET [redacted] Security Information

INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS — Country VENEZUELA

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians No. of Persons | U.S. Technicians Cost | Trainees No. of Persons | Trainees Cost |
| Technical Progress and Development | | | | | | | |
| 1952 | 134.7 | 43.5 | 91.2 | 5 | 77.6 | 5 | 13.6 |
| 1953 | 187.9 | 50.5 | 137.4 | 8 | 115.6 | 5 | 21.8 |
| 1954 | 192.0 | 70.6 | 121.4 | 9 | 121.4 | - | - |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Program by fiscal year | Total U.S. Cost | (1) Agricul., Forestry and Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| **Technical Progress and Development** | | | | | | | | | | |
| 1952 | 134.7 | 5.5 | 107.4 | - | - | - | 17.1 | - | - | 4.7 |
| 1953 | 187.9 | - | 156.8 | - | - | - | 18.8 | 4.7 | - | 7.6 |
| 1954 | 192.0 | - | 148.4 | - | - | - | - | 39.1 | - | 4.5 |

INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country REGIONAL

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Service Cost | U.S. Technicians | | Trainees | |
| | | | | No. of Persons | Cost | No. of Persons | Cost |
| Technical Programs and Development | | | | | | | |
| 1952 | 884.2 | 349.1 | 535.1 | 44 | 316.1 | -- | 219.0 |
| 1953 | 1605.6 | 682.2 | 923.4 | 72 | 843.7 | 20 | 79.7 |
| 1954 | 1283.7 | 405.5 | 878.2 | 80 | 878.2 | -- | - |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | Total U.S. Cost | (1) Agricul., Forestry and Fisheries | (2) Health and Sanitation | (3) Education | (4) Natural Resources | (5) Industry Trade Labor | (6) Transp. and Comm. | (7) Pub. Adm. | (8) General Projects | (9) Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 884.2 | 288.9 | 150.1 | 283.4 | - | 32.6 | 73.0 | 22.0 | - | 34.2 |
| 1953 | 1605.6 | 509.5 | 249.3 | 120.5 | 52.9 | 228.3 | 164.6 | 162.5 | 65.0 | 53.0 |
| 1954 | 1283.7 | 350.1 | 237.8 | 107.0 | 48.0 | 223.9 | 117.6 | 96.5 | 65.0 | 37.8 |

INDIVIDUAL COUNTRY DATA

AMERICAN REPUBLICS

SUMMARY BY MAJOR COST COMPONENTS

Country DOTS

(In thousands of dollars)

| Programs by Fiscal Year | Total | Supplies & Equipment | Services | | | | |
|---|---|---|---|---|---|---|---|
| | | | Total Services Cost | U.S. Technicians No. of Persons | U.S. Technicians Cost | Trainees No. of Persons | Trainees Cost |
| Technical Progress and Development | | | | | | | |
| 1952 | 69.9 | 43.3 | 26.6 | 2 | 26.6 | - | - |
| 1953 | 24.0 | 2.1 | 21.9 | 2 | 2.1 | 8 | 19.8 |
| 1954 | 246.1 | 22.0 | 224.1 | 8 | 93.0 | 60 | 131.1 |

SUMMARY BY MAJOR PROJECT CATEGORY

(In thousands of dollars)

| Programs by Fiscal Year | (1) Total U.S. Costs | (2) Agricul., Forestry and Fisheries | (3) Health and Sanitation | (4) Education | (5) Natural Resources | (6) Industry Trade Labor | (7) Transp. and Comm. | (8) Pub. Adm. | (9) General Projects | Domestic Program Costs |
|---|---|---|---|---|---|---|---|---|---|---|
| Technical Progress and Development | | | | | | | | | | |
| 1952 | 69.9 | - | 68.3 | - | - | - | - | - | - | 1.6 |
| 1953 | 24.0 | 12.6 | - | 5.5 | - | - | - | - | - | 5.9 |
| 1954 | 246.1 | 71.0 | 77.0 | 12.0 | - | 37.0 | - | - | - | 49.1 |

DISTRIBUTION OF FY 1954 PROGRAM
BY AREA AND COUNTRY

(In Thousands of dollars)

| Area and Country | I Mutual Def. Materiel & Training | II Mutual Defense & Financing | III Mutual Special Weapons Planning | IV Mutual Develop. & Tech. Program: Tech. Progress & Development Program | IV: Basic Materials Develop. | IV: Special Economic Assist. | V Multi-lateral Organiz. | Total |
|---|---|---|---|---|---|---|---|---|
| Non-Regional Program | | | $100,000.0 | | $40,000.0 | | $109,575.0 | $249,575.0 |
| Mutual Special Weapons Planning | | | 100,000.0 | | | | | 100,000.0 |
| Basic Materials Develop. | | | | | 40,000.0 | | | 40,000.0 |
| Movement of Migrants | | | | | | | 10,000.0 | 10,000.0 |
| Multi. Tech. Cooperation | | | | | | | 13,750.0 | 13,750.0 |
| International Children's Welfare Works | | | | | | | 13,000.0 | 13,000.0 |
| Ocean Freight on Relief Shipments | | | | | | | 1,825.0 | 1,825.0 |
| U.N. Korean Reconstruction Agency | | | | | | | 71,000.0 | 71,000.0 |

# PRESIDENT EISENHOWER'S

# FOREIGN AID REQUEST

# FOR

# 1954

★ ★ ★

President Dwight D. Eisenhower in Message to Congress on May 5, 1953:

"I present this whole program to you with confidence and conviction. It has been carefully developed by the responsible members of this administration in order to achieve, at least possible cost, the maximum results in terms of our security and the security of our friends and allies. In my judgment it represents a careful determination of our essential needs in pursuing the policy of collective security in a world not yet freed of the threat of totalitarian conquest."

"Unequivocally I can state that this amount of money judiciously spent abroad will add much more to our Nation's ultimate security in the world than would an even greater amount spent merely to increase the size of our own military forces in being."

"Were the United States to fail to carry out these purposes, the free world could become disunited at a moment of great peril when peace and war hang precariously in balance."

"This is the way best to defend successfully ourselves and the cause of freedom."

# THE MUTUAL SECURITY PROGRAM FOR 1954

President Eisenhower's Mutual Security Program for fiscal year 1954 has been developed by the new Administration after the most extensive and careful study and deliberation within the National Security Council. It represents a careful and studied balancing of the world-wide United States security requirements, on the one hand, and, on the other, the reduction of federal government expenditures to assure a stable United States economy.

An intensive review of the previous Administration's security program has produced substantial reductions and savings in the Mutual Security Program for 1954. These reductions were reflected in President Eisenhower's request to the Congress on May 5th for new legislation and authorization. Since then, substantial savings in the 1953 program have been made as a result of vigorous scrutiny of programs in process which savings have been applied against 1954 requirements in arriving at the present appropriation request.

The Administration has re-examined the scope and nature of the Communist threat to United States security. It has re-examined our policies and programs to meet that threat. The program before you reflects changes in emphasis between areas, between programs in an area, and in the methods of carrying out those programs. More emphasis has been placed on Asia than heretofore. The reduced program within Europe reflects a substantial shift toward more direct military support. The introduction of the new category "special weapons planning" presents a different approach in the carrying out of programs. The changed emphasis, the new programs, and the vigorous pruning of the total program in the interest of a balanced budget combine to effect an orientation in 1954 that is consonant with the changing world situation.

The Mutual Security Program for 1954 is a reflection of the basic concept President Eisenhower has repeatedly expressed. It seeks to create mutual strength, mutual confidence, mutual understanding, and mutual progress among the free nations of the world. Its objectives are a rapid build-up of effective defensive strength in the free world and a steady advance in the standards of living of the free peoples.

Eisenhower Administration Leaders Strongly Support The 1954 Mutual Security Program:

Secretary of State John Foster Dulles on May 5 and May 6:

"....this program has nothing to do with pure charity. It is based upon solid considerations of self-interest. It is, in fact, an inescapable part of our own national security program...."

"....cuts in this bill would require in the very near future the expending of more money in terms of our purely national defense than could be cut out of this bill. In other words, I believe that cutting this bill will not in the long run involve a saving but will involve additional cost."

Secretary of the Treasury George M. Humphrey on May 8:

"....I do not think we are justified in making the size cuts in security programs that we would have to make if we were balancing the budget....No one is more economy minded than I am....I just do not want economy at the expense of security."

Secretary of Defense Charles Wilson on May 5:

"I believe it to be a balanced program which takes into account the most vital needs in the effort we and our partners are making to achieve security for the free world."

General Omar N. Bradley on May 7:

"I know of no intelligence which reveals any change of attitude on the part of the Soviet Union or which would give us any reason to diminish, or slow down, or stretch out our preparedness effort....The military aid part of the mutual security program is all important to the collective security of the free world."

General Matthew B. Ridgway on May 19:

"To relax our efforts now would be to lose the momentum we have so laboriously gained. Once lost, our momentum can be regained only at costs and risks far greater than those we now share. The Mutual Security Program is a vital factor in the keeping of our momentums. It is a solid investment in security and in the maintenance of peace."

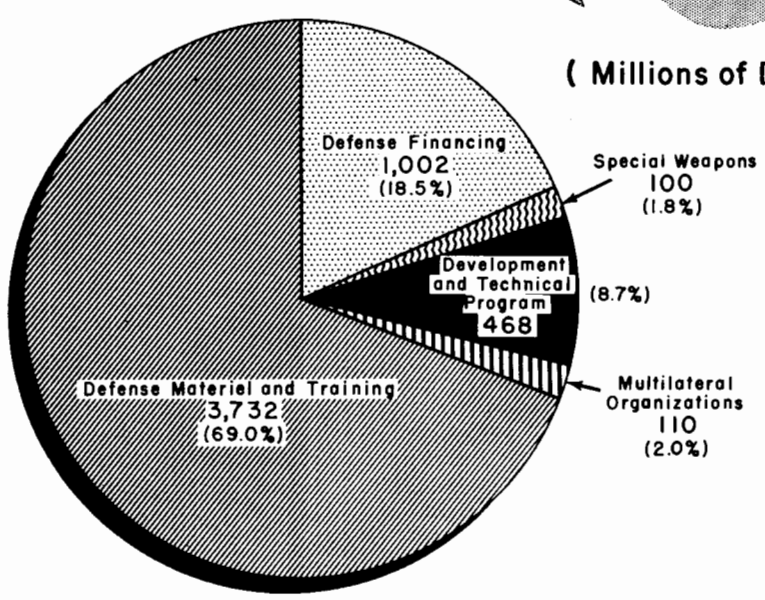
Admiral Arthur W. Radford on May 28:

"I feel that the program in Formosa, the Philippines, Indo-china, and Thailand, the military programs....and the economic programs in all that area are absolutely essential in the long run to the security of the United States."

# MUTUAL SECURITY PROGRAM - FY 1954

( Based on Appropriation Request )

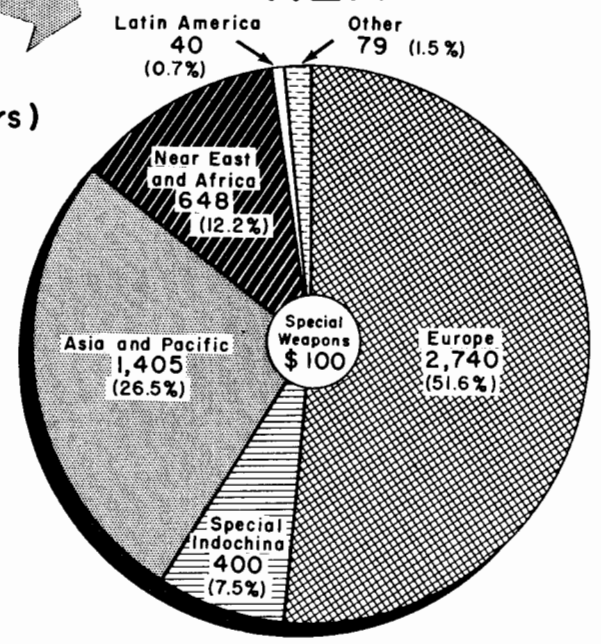
## BY FUNCTION




## $5,412

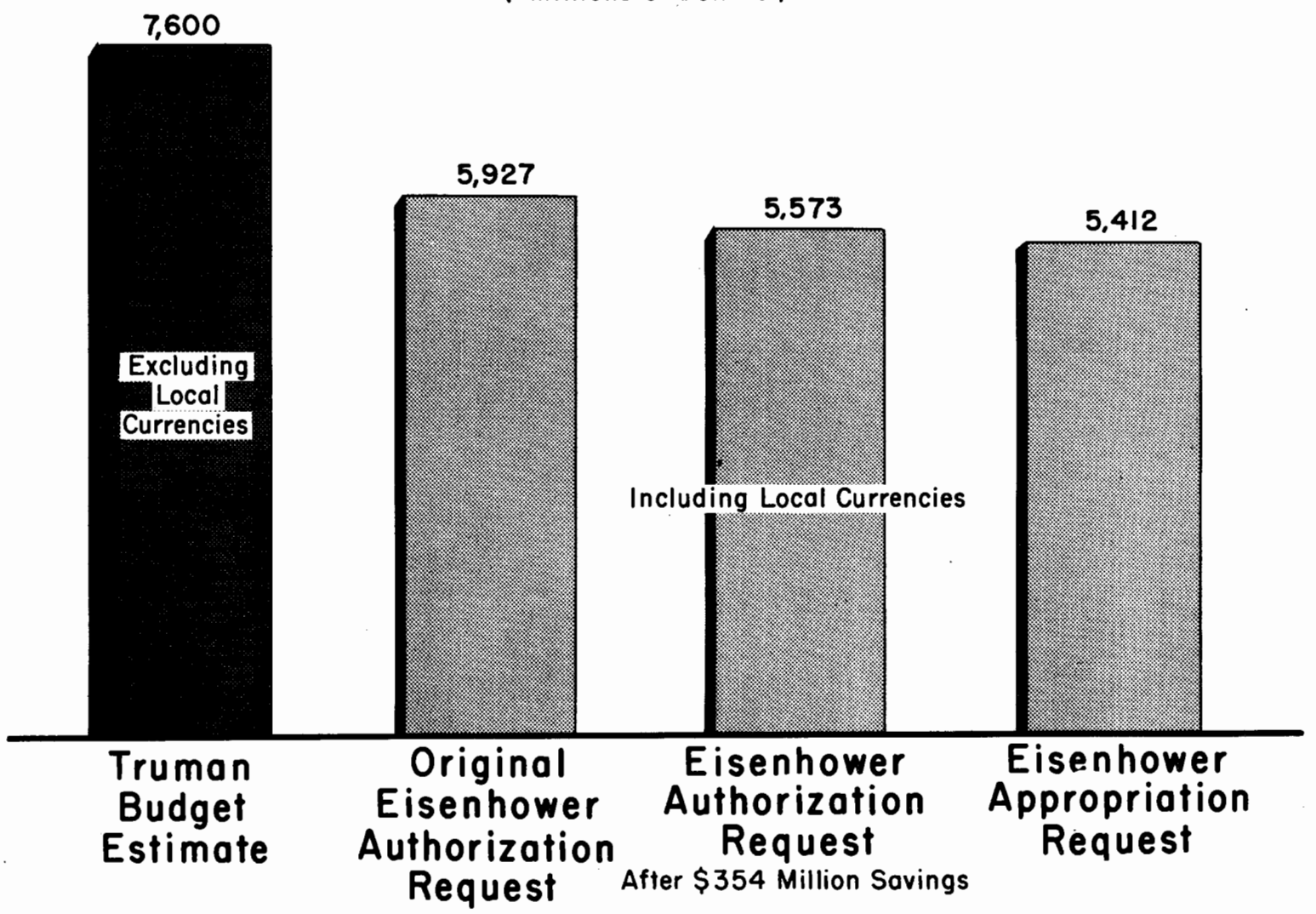
( Millions of Dollars )

## BY GEOGRAPHIC AREA




## STATUS OF AUTHORIZATION AND APPROPRIATION REQUEST

( Millions of Dollars )



# THE EUROPEAN PROGRAM FOR 1954

In Europe the central focus of our Mutual Security Program is the strengthening of our collective defenses under NATO. At the NATO Council Meeting in April of this year the Ministers of the fourteen member countries adopted firm force goals for 1953 and provisional goals for 1954 as a basis for budget planning. This plan was based on months of intensive study and discussion in NATO and its major military commands.

The basis for a sound Mutual Security Program for Europe in the fiscal year 1954 was thus laid. These NATO plans will be reviewed during the summer and autumn of 1953, and firm force goals for 1954 and provisional goals for the following year will again be set by the North Atlantic Council. Those goals will reflect the actual availability of Mutual Security funds for fiscal year 1954, and will provide the basis for budgetary planning for fiscal year 1955.

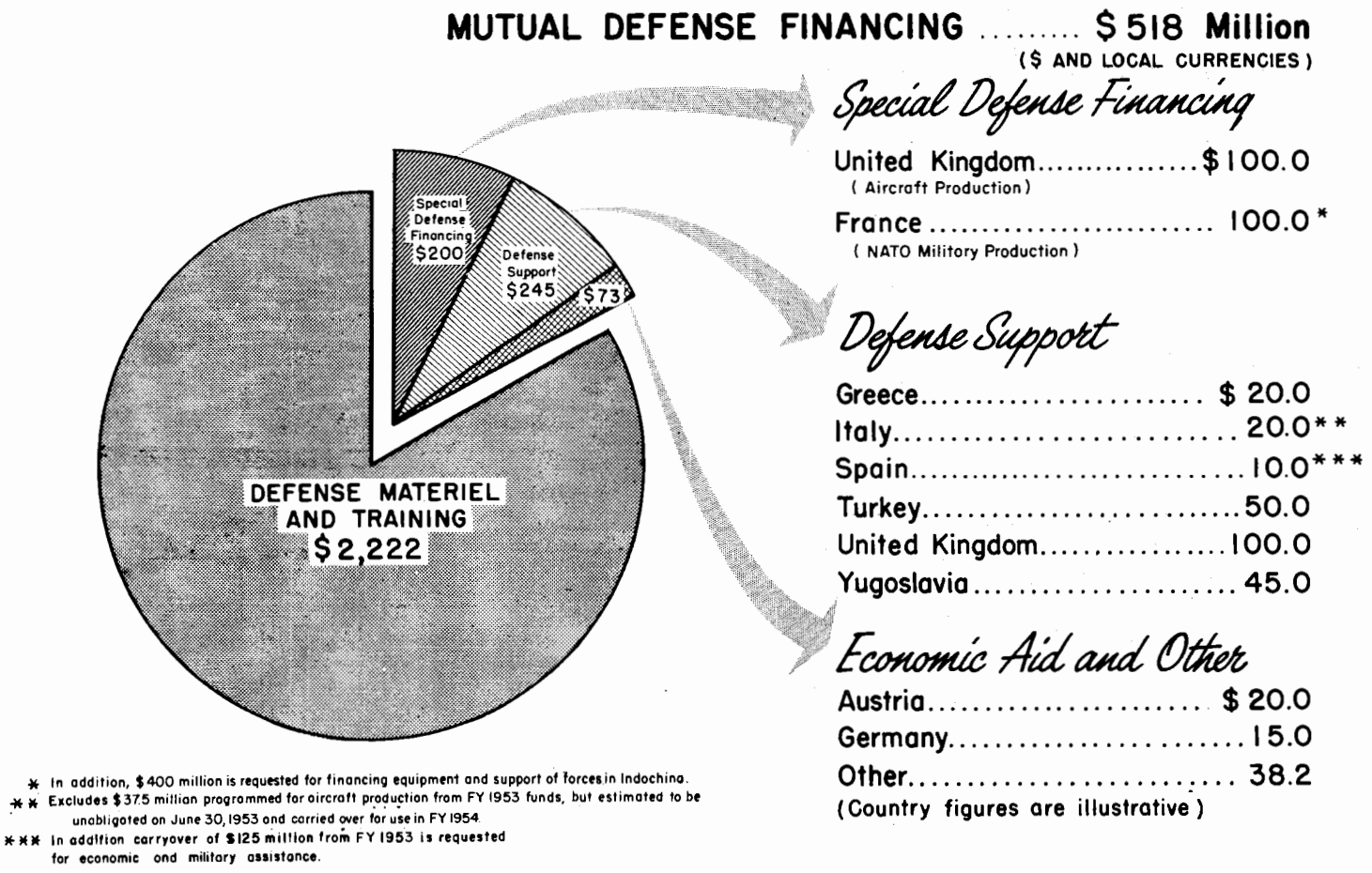
In addition to building the collective strength of NATO, the program for Europe will support the military effort of Yugoslavia, will provide economic assistance to Austria and West Berlin, and will make provision for assistance to Spain upon completion of current negotiations with that country.

By far the largest part of the assistance for Europe will be in the form of military end-items to meet screened deficiencies of agreed forces, training for those forces, and a contribution to the collective program for construction of "infrastructure" facilities under the NATO defense program.

Mutual defense financing for Europe includes assistance in several forms, totalling $518 million in dollars and local currencies. France and the United Kingdom will receive $100 million each of special defense financing of military production in those countries. Greece, Italy, Turkey, Yugoslavia and the United Kingdom will receive assistance in the form of defense support to permit, through the increased availability of imports and through the use of counterpart funds, larger defense efforts than would otherwise be possible. Austria and Western Berlin will receive direct economic assistance. The technical assistance program for Europe will be continued on a reduced scale. Spain is scheduled to receive aid in the form of defense support, including funds carried over from previous years' appropriations, upon completion of negotiations currently in progress.

The special defense financing in France and the United Kingdom will, like other defense support, permit a higher level of dollar imports by making additional foreign exchange available; it differs from defense support, however, in being directed toward specific items of military production within the country defense programs.

The total of assistance for Europe in all these forms of mutual defense financing is very substantially less than the defense support and economic assistance provided during FY 1953. This reduced level of aid partly reflects the relief to France afforded by the program of $400 million of special defense financing for the campaign in Indochina; even allowing for that, however, the total is substantially less than the amount provided during FY 1953, and reflects the continued substantial progress of Europe toward independence of mutual defense financing.



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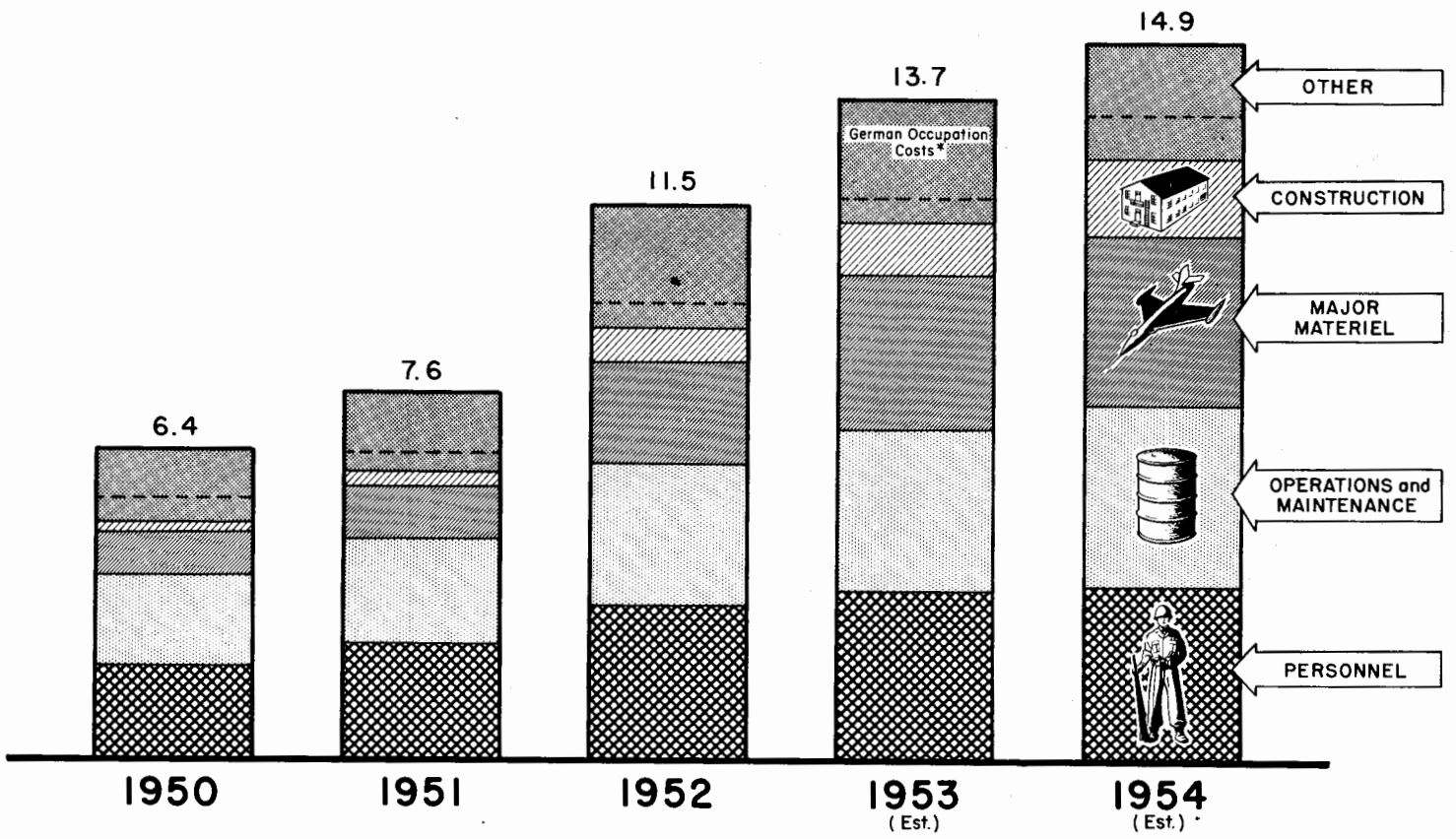
# THE EUROPEAN DEFENSE EFFORT

## EUROPEAN NATO PLUS GERMANY

(Expenditures in Billions of Dollors)




* From 1950 to 1953 the entire German defense expenditure was for occupation and national costs. In FY 1954 about one-half of German defense expenditures is expected to be spent for the German defense build-up and this portion is reflected in the appropriate categories.

DEFENSE EXPENDITURES: TOTAL AND PERCENT OF GROSS NATIONAL PRODUCT AT MARKET PRICES

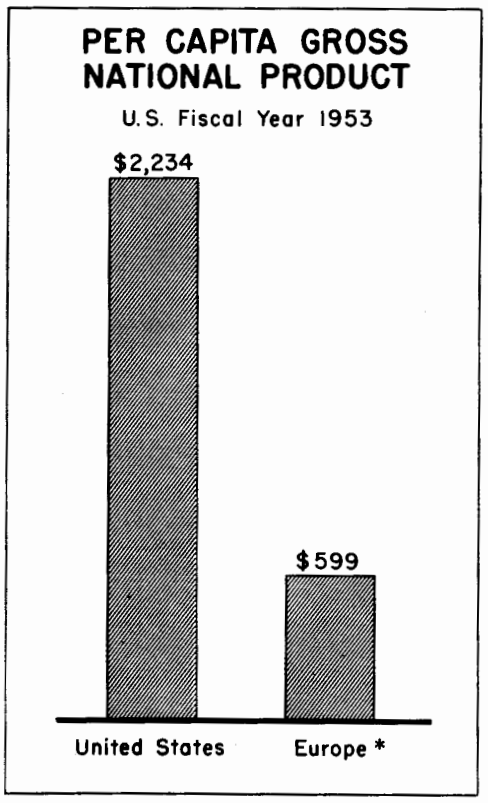
BY U.S. FISCAL YEARS - IN MILLIONS OF DOLLARS

| COUNTRY | 1938 | ACTUAL | | | | | | MSA ESTIMATES | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | DEFENSE EXPENDITURE AS A PERCENT OF GNP | 1949/50 | | 1950/51 | | 1951/52 | | 1952/53 | | 1953/54 | |
| | | DEFENSE EXPENDITURES | PERCENT OF GNP | DEFENSE EXPENDITURES | PERCENT OF GNP | DEFENSE EXPENDITURES | PERCENT OF GNP | DEFENSE EXPENDITURES | PERCENT OF GNP | DEFENSE EXPENDITURES | PERCENT OF GNP |
| **EUROPEAN DEFENSE COMMUNITY** | | | | | | | | | | | |
| Belgium-Luxembourg | 2.5 | 158 | 2.5 | 201 | 2.9 | 355 | 4.6 | 469 | 6.3 | 510 | 6.8 |
| France | 7.3 | 1,458 | 5.9 | 2,041 | 7.0 | 3,220 | 9.3 | 4,007 | 11.2 | 4,050 | 11.1 |
| Germany (Federal Republic) | 15.8 | 1,036 | 5.1 | 1,190 | 4.9 | 1,992 | 6.9 | 1,952 | 6.3 | 2,800 | 8.5 |
| Italy (Incl. Trieste) | 6.0 | 520 | 4.0 | 613 | 4.2 | 808 | 5.1 | 962 | 5.8 | 975 | 5.7 |
| Netherlands | 2.3 | 231 | 4.7 | 228 | 4.2 | 310 | 5.3 | 373 | 6.2 | 450 | 7.3 |
| TOTAL EDC | - | 3,403 | 4.9 | 4,273 | 5.3 | 6,685 | 7.2 | 7,763 | 8.1 | 8,785 | 8.8 |
| **U.K. AND NORTHERN EUROPEAN COUNTRIES** | | | | | | | | | | | |
| Denmark | 0.9 | 53 | 1.8 | 56 | 1.7 | 88 | 2.4 | 131 | 3.5 | 170 | 4.5 |
| Norway | 0.9 | 50 | 2.4 | 67 | 2.7 | 96 | 3.4 | 142 | 5.0 | 160 | 5.5 |
| United Kingdom | 6.5 | 2,449 | 6.9 | 2,752 | 7.2 | 4,094 | 9.8 | 5,107 | 12.0 | 5,200 | 12.0 |
| **SOUTHERN EUROPEAN COUNTRIES** | | | | | | | | | | | |
| Greece | 5.5 | 124 | 6.8 | 172 | 8.0 | 204 | 8.7 | 206 | 8.5 | 215 | 8.4 |
| Portugal | 3.7 | 46 | 3.6 | 49 | 3.6 | 50 | 3.5 | 71 | 5.0 | 75 | 5.0 |
| Turkey | 6.9 | 236 | 7.4 | 247 | 6.7 | 278 | 6.8 | 291 | 6.5 | 325 | 6.7 |
| TOTAL NATO | 5.8 | 5,325 | 5.6 | 6,426 | 6.0 | 9,503 | 7.9 | 11,759 | 9.6 | 12,130 | 9.6 |
| TOTAL NATO PLUS GERMANY | 9.3 | 6,361 | 5.5 | 7,616 | 5.8 | 11,495 | 7.7 | 13,711 | 8.9 | 14,930 | 9.4 |
| Austria | 2.2 | 28 | 1.5 | 21 | 0.9 | 21 | 0.7 | 23 | 0.7 | 23 | 0.7 |
| Yugoslavia | n.a. | n.a. | n.a. | n.a. | n.a. | 624 | 16.7 | 600 | 18.2 | 600 | 15.7 |
| TOTAL 15 COUNTRIES | n.a. | n.a. | n.a. | n.a. | n.a. | 12,140 | 7.8 | 14,334 | 8.9 | 15,553 | 9.3 |
| Canada | 0 7 | 441 | 2.6 | 763 | 4.0 | 1,643 | 7.8 | 2,000 | 8.7 | n.a. | n.a. |
| United States | 1.2 | 12,808 | 4.7 | 21,947 | 7.2 | 43,375 | 13.0 | 49,000 | 13.9 | 51,000 | 14.0 |

*NOTE: Precise comparisons of the levels of defense expenditure between the European countries and the United States are not possible. The conversion into dollars has been made on the basis of official foreign exchange rates, and the purchasing power of the dollar is appreciably higher in most European countries than in the United States. Intra-European comparisons of the converted dollar figures are subject to similar limitations. Adjustments to make figures truly comparable cannot now be made.*

GERMANY: 1938 is for Prewar Reich (boundaries as of 1936). Most of the German contribution in past years has been for "occupation costs". For FY 1954 a large part of the German total of $2.8 billion will still be for occupation costs, but around half will go for the German defense build-up.
TURKEY: MSA/W estimates for all years. AUSTRIA: Postwar data represent occupation cost and security police. Prewar figure is for 1937.
UNITED STATES: Preliminary and tentative estimates subject to change as departmental programs are officially submitted to the Congress.

# HOW DOES THE EUROPEAN DEFENSE EFFORT COMPARE WITH THE UNITED STATES ?




* NATO plus Germany

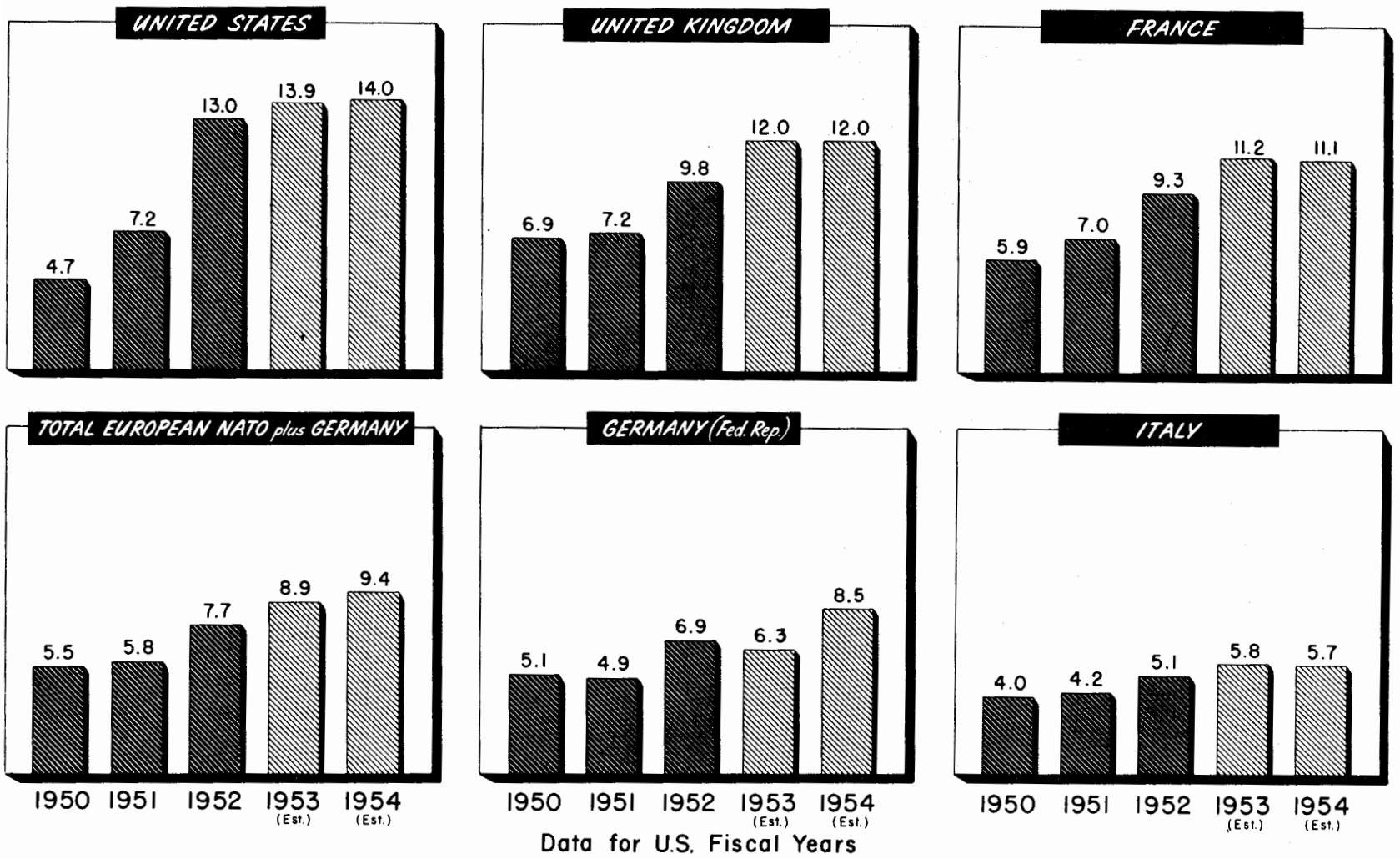
With per capita resources less than one-third of the U.S., Europe is bearing a heavy defense burden and is devoting an increasing share of her resources to defense.

Percent of gross national product devoted to defense has risen from 5.5 percent pre-Korea to 9.4 percent for FY 1954. In France and the U.K. defense expenditures are 11 and 12 percent of GNP. In the U.S., with much higher GNP the defense effort takes 14 percent of GNP.

In considering the percent of the gross national product devoted to defense by the European countries, many other factors have to be taken into consideration. In some cases the rate of troop pay is very low and figures do not accurately reflect the contribution of the European partners in comparison with the contributions of the United States. Nor do they accurately reflect the worth of the manpower withdrawn from productive employment. With this fact in mind it is also interesting to note the tax receipts in several of the countries and the difficult problem posed by the level of defense expenditures in each of the European countries.

# PROPORTION OF GNP DEVOTED TO DEFENSE

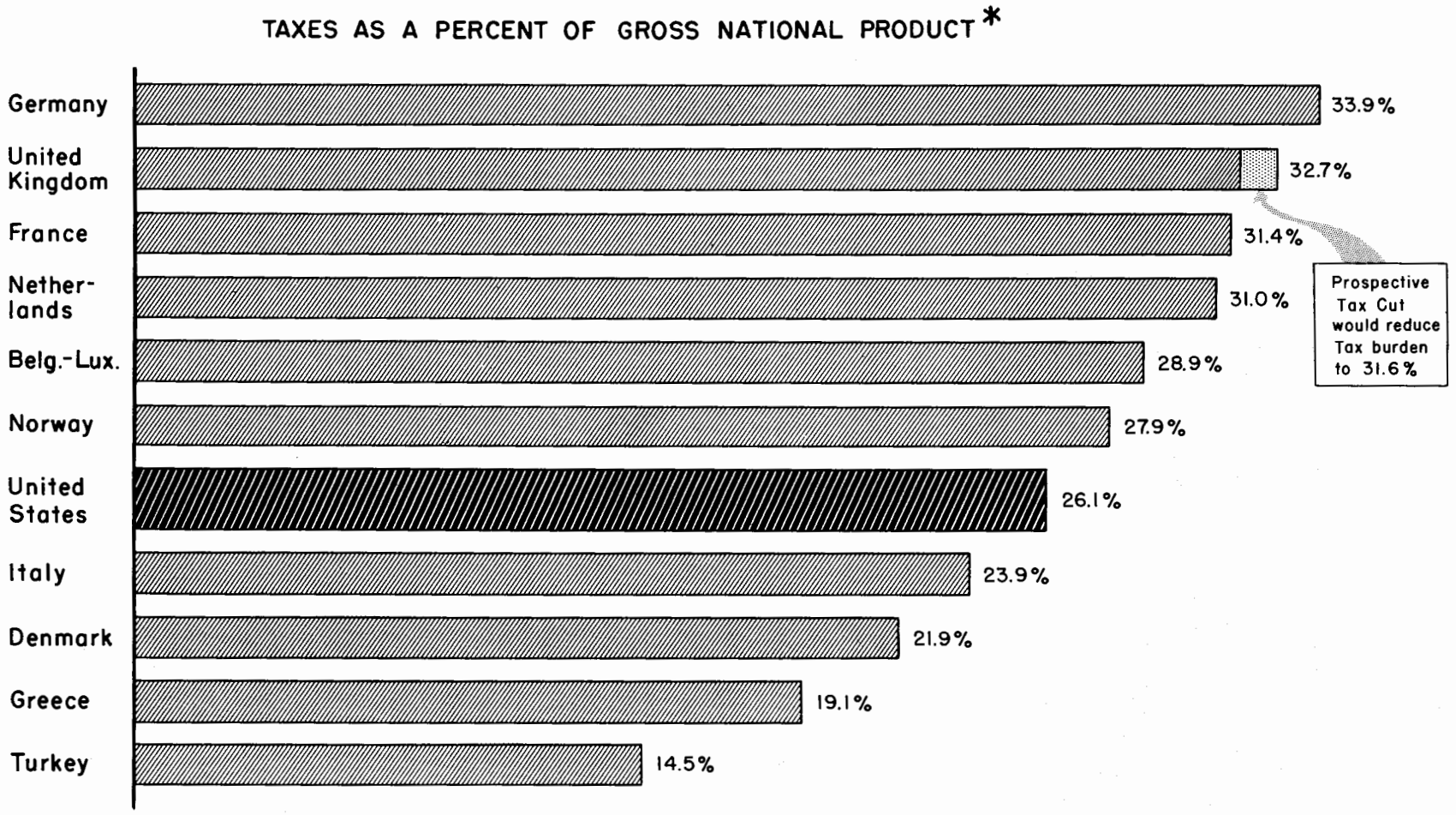
## DEFENSE EXPENDITURES AS A PERCENT OF GROSS NATIONAL PRODUCT




Data for U.S. Fiscal Years

# EUROPE PAYS HEAVY TAXES

Even after prospective slight tax reductions in the United Kingdom and Germany their total tax burden is higher than in the United States. Also France, Netherlands, Belgium and Norway pay more taxes than the United States. Only the agricultural countries like Italy, Denmark, Greece and Turkey pay less taxes.




*Total tax receipts of all levels of Government as a percent of Gross National Product Years ending Dec. 31, 1952 except Turkey FY ending February 28, 1953 and Germany and Denmark FY ending Mar. 31, 1953 and Italy FY ending June 30, 1953.

## TOTAL TAXES OF ALL LEVELS OF GOVERNMENT*

(Millions of Dollar Equivalents)

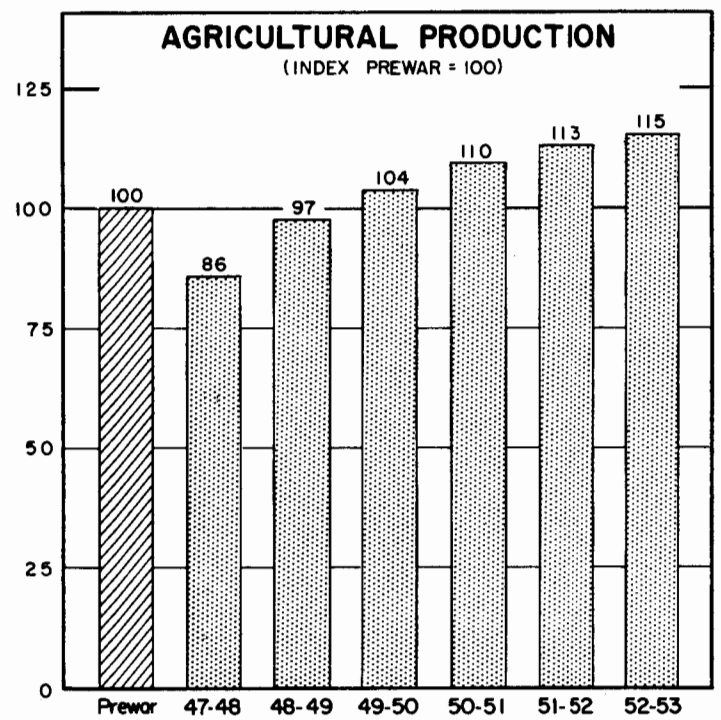
| TAX LEVIED BY | AUSTRIA | | BELGIUM-LUXEMBOURG | | DENMARK | | FRANCE | | GERMANY (FED. REP.) | | GREECE | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | YEAR ENDED DEC. 31, 1952 | | YEAR ENDED DEC. 31, 1952 | | YEAR ENDED MAR. 31, 1953 | | YEAR ENDED DEC. 31, 1952 | | YEAR ENDED MAR. 31, 1953 | | YEAR ENDED DEC. 31, 1952 | |
| | AMOUNT | PERCENT | AMOUNT | PERCENT | AMOUNT | PERCENT | AMOUNT | PERCENT | AMOUNT | PERCENT | AMOUNT | PERCENT |
| 1. Central Government *(Excl. Social Insurance)* | 776 | 70.9 | 1,598 | 72.8 | 549 | 67.9 | 7,106 | 60.8 | 6,672 | 65.4 | 342 | 75.4 |
| 2. Social Insurance | 234 | 21.4 | 532 | 24.3 | 49 | 6.1 | 2,951 | 25.3 | 2,506 | 24.5 | 82 | 18.0 |
| 3. Regional and Local Governments | 84 | 7.7 | 64 | 2.9 | 210 | 26.0 | 1,629 | 13.9 | 1,014 | 10.1 | 30 | 6.6 |
| All Levels | 1,094 | 100.0 | 2,194 | 100.0 | 808 | 100.0 | 11,686 | 100.0 | 10,192 | 100.0 | 454 | 100.0 |
| *Percent of GNP* | 33.4 | | 28.9 | | 21.9 | | 31.4 | | 33.9 | | 19.1 | |

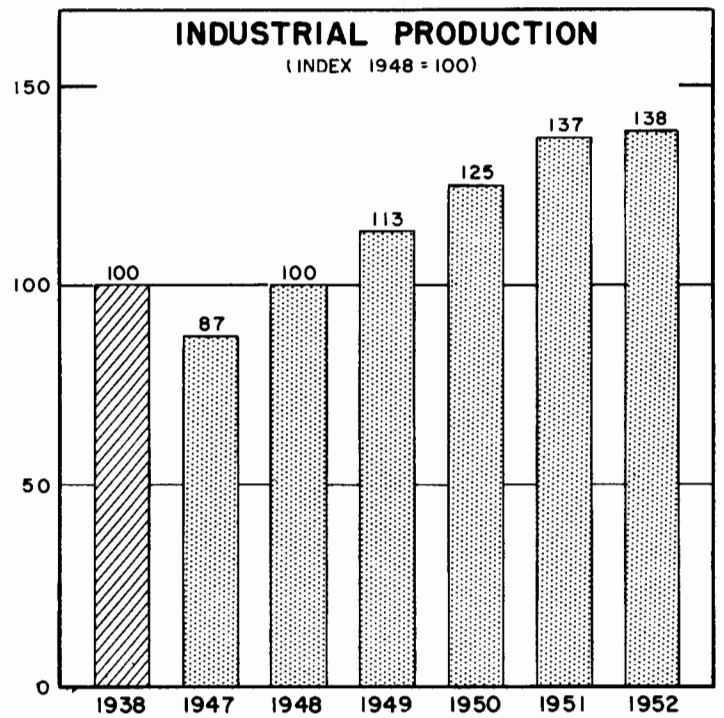
| TAX LEVIED BY | ITALY | | NETHERLANDS | | NORWAY | | TURKEY | | UNITED KINGDOM | | UNITED STATES | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | YEAR ENDED JUNE 30, 1953 | | YEAR ENDED DEC. 31, 1952 | | YEAR ENDED DEC. 31, 1952 | | YEAR ENDED FEB. 28, 1953 | | YEAR ENDED DEC. 31, 1952 | | YEAR ENDED DEC. 31, 1952 | |
| | AMOUNT | PERCENT | AMOUNT | PERCENT | AMOUNT | PERCENT | AMOUNT | PERCENT | AMOUNT | PERCENT | AMOUNT | PERCENT |
| | | | | | | | | | | | ($ BILLIONS) | |
| 1. Central Government *(Excl. Social Insurance)* | 2,417 | 62.7 | 1,488 | 81.8 | 555 | 68.4 | 500 | 78.3 | 11,774 | 82.9 | 62.5 | 69.4 |
| 2. Social Insurance | 896 | 23.2 | 248 | 13.6 | 47 | 5.8 | 35 | 5.5 | 1,336[a] | 9.4[a] | 8.6 | 9.6 |
| 3. Regional and Local Governments | 544 | 14.1 | 84 | 4.6 | 210 | 25.8 | 104 | 16.2 | 1,095 | 7.7 | 18.9 | 21.0 |
| All Levels | 3,857 | 100.0 | 1,820 | 100.0 | 812 | 100.0 | 639 | 100.0 | 14,205 | 100.0 | 90.0 | 100.0 |
| *Percent of GNP* | 23.9 | | 31.0 | | 27.9 | | 14.5 | | 32.7 | | 26.1 | |

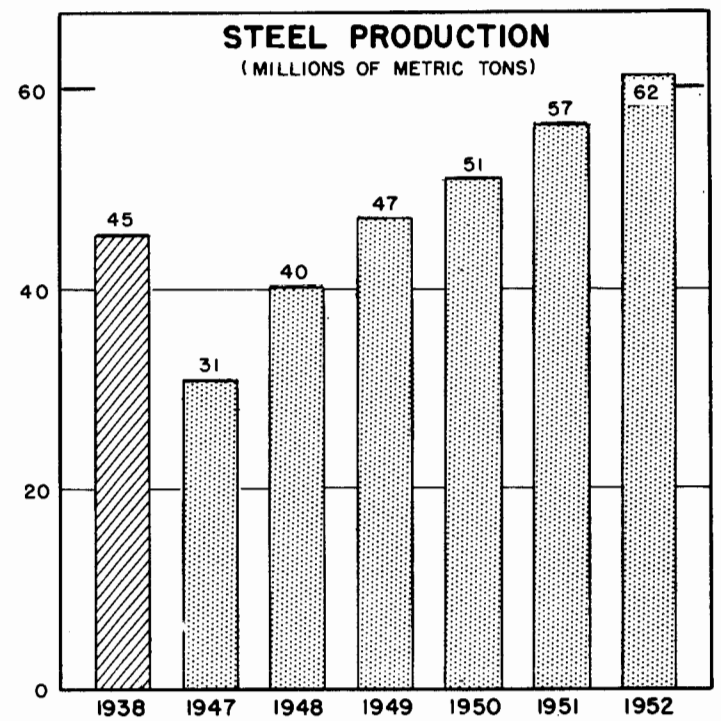
a/ Excludes health insurance covered by general fund taxes.

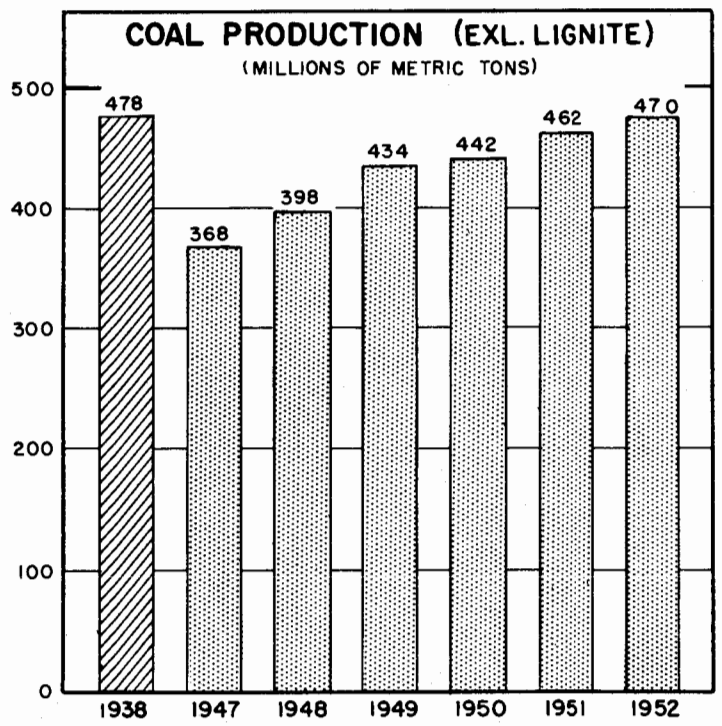
* Duplications because of grants and shared taxes are excluded. Taxes shared with other governments are included in the level having the jurisdiction over the tax. Many data for the latest year are based on budgets. Most data for the local governments and some social insurance data represent MSA/Washington estimates.

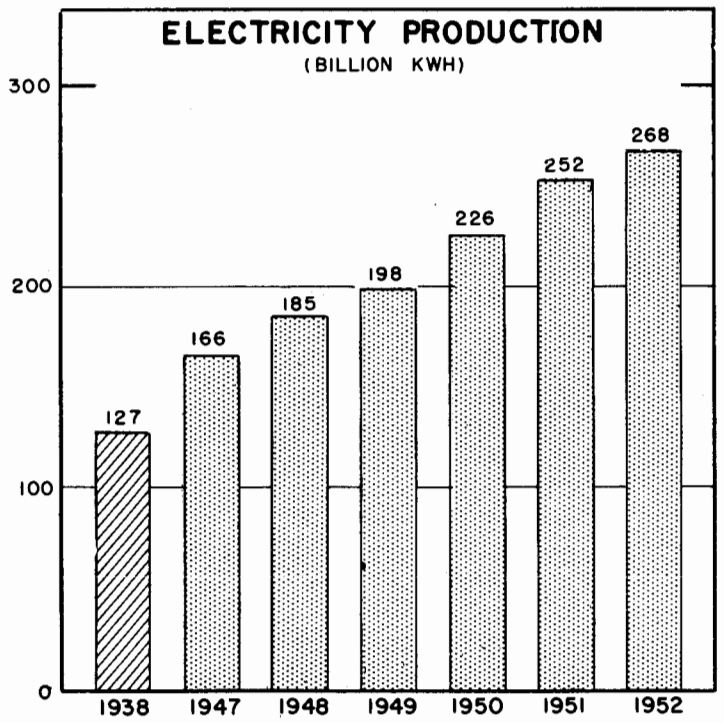
# NEVERTHELESS THE ECONOMIC BASE OF EUROPE IS STRONGER

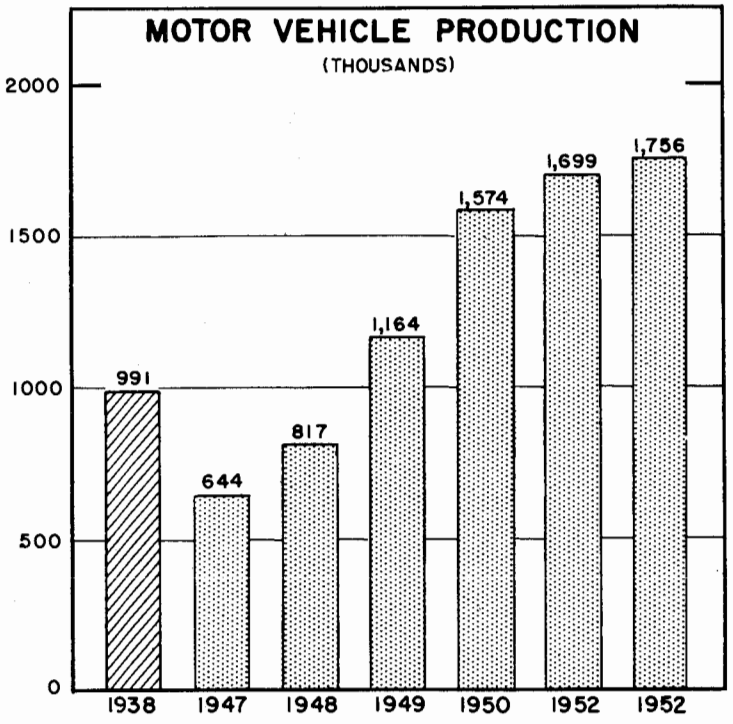


## EUROPE'S EXTRAORDINARY DOLLAR RECEIPTS FOR FISCAL YEARS 1953 AND 1954

(Millions of Dollars)

| FISCAL YEAR AND COUNTRY | RECEIPTS FROM MUTUAL SECURITY PROGRAM | | | | U.S. MILITARY EXPENDITURES | *Total of Receipts from MSP and U.S. Military Expenditures* |
|---|---|---|---|---|---|---|
| | OFFSHORE PROCUREMENT PAYMENTS | MUTUAL DEFENSE FINANCING | USE OF PIPELINE ( + IS USE, − IS ACCUMULATION) | TOTAL MSP RECEIPTS | | |
| **FISCAL YEAR 1953** | | | | | | |
| **EUROPEAN DEFENSE** | | | | | | |
| Belgium–Luxembourg | 4.3 | 1.0 | 15.6 | 20.9 | 71.4 | 92.3 |
| France | 178.9 | 397.5 | -116.0 | 460.4 | 230.0 | 690.4 |
| Germany (Fed. Rep.) | 1.5 | 83.6 | -1.6 | 83.5 | 240.0 | 323.5 |
| Italy | 11.0 | 102.0 | 99.6 | 212.6 | 40.8 | 253.4 |
| Netherlands | 8.5 | 3.0 | 45.6 | 57.1 | 24.9 | 82.0 |
| TOTAL | 204.2 | 587.1 | 43.2 | 834.5 | 607.1 | 1,441.6 |
| **U.K. AND NORTHERN EUROPE** | | | | | | |
| Denmark | 0.9 | 7.5 | 3.0 | 11.4 | 15.5 | 26.9 |
| Iceland | - | 5.45 | 2.3 | 7.75 | 3.9 | 11.65 |
| Norway | 1.4 | 21.2 | -4.4 | 18.2 | 8.5 | 26.7 |
| United Kingdom | 39.6 | 409.6 | 10.4 | 459.6 | 118.0 | 577.6 |
| TOTAL | 41.9 | 443.75 | 11.3 | 496.95 | 145.9 | 642.85 |
| **SOUTHERN EUROPEAN** | | | | | | |
| Greece | 0.1 | 80.0 | 6.0 | 86.1 | - | 86.1 |
| Portugal | - | - | 4.4 | 4.4 | 3.5 | 7.9 |
| Turkey | - | 55.0 | 1.0 | 56.0 | 3.6 | 59.6 |
| Yugoslavia | - | 121.75 | -8.6 | 113.15 | 0.1 | 113.25 |
| TOTAL | 0.1 | 256.75 | 2.8 | 259.65 | 7.2 | 266.85 |
| Austria | - | 49.4 | 9.2 | 58.6 | 30.0 | 88.6 |
| TOTAL 15 COUNTRIES | 246.2 | 1,337.0 | 66.5 | 1,649.7 | 790.2 | 2,439.9 |
| **FISCAL YEAR 1954** *(Country figures are illustrative)* | | | | | | |
| **EUROPEAN DEFENSE** | | | | | | |
| Belgium–Luxembourg | 18.1 | 0 | 10.2 | 28.3 | 77.3 | 105.6 |
| France | 322.7 | 500.0 | -75.3 | 747.4 | 330.0 | 1,077.4 |
| Germany (Fed. Rep.) | 11.8 | 15.0 | 68.0 | 94.8 | 230.0 | 324.8 |
| Italy | 155.5 | 57.5 | 27.5 | 240.5 | 53.5 | 294.0 |
| Netherlands | 31.2 | 0 | 25.8 | 57.0 | 31.6 | 88.6 |
| TOTAL | 539.3 | 572.5 | 56.2 | 1,168.0 | 722.4 | 1,890.4 |
| **U.K. AND NORTHERN EUROPE** | | | | | | |
| Denmark | 4.8 | 0 | 5.1 | 9.9 | 22.9 | 32.8 |
| Iceland | - | 0 | 1.2 | 1.2 | 3.9 | 5.1 |
| Norway | 5.2 | 0 | 26.7 | 31.9 | 14.2 | 46.1 |
| United Kingdom | 150.0 | 200.0 | 40.0 | 390.0 | 135.0 | 525.0 |
| TOTAL | 160.0 | 200.0 | 73.0 | 433.0 | 176.0 | 609.0 |
| **SOUTHERN EUROPEAN** | | | | | | |
| Greece | 12.4 | 20.0 | 25.0 | 57.4 | - | 57.4 |
| Portugal | 1.0 | 0 | 3.9 | 4.9 | 7.6 | 12.5 |
| Turkey | 1.0 | 50.0 | 13.8 | 64.8 | 6.9 | 71.7 |
| Yugoslavia | 1.0 | 45.0 | 16.0 | 62.0 | 0.5 | 62.5 |
| TOTAL | 15.4 | 115.0 | 58.7 | 189.1 | 15.0 | 204.1 |
| Austria | - | 20.0 | 10.8 | 30.8 | 30.0 | 60.8 |
| TOTAL 15 COUNTRIES | 714.7 | 907.5 | 198.7 | 1,820.9 | 943.4 | 2,764.3 |

## COUNTRY PROGRAMS (Balance of Payments Basis)

(Millions of Dollars)

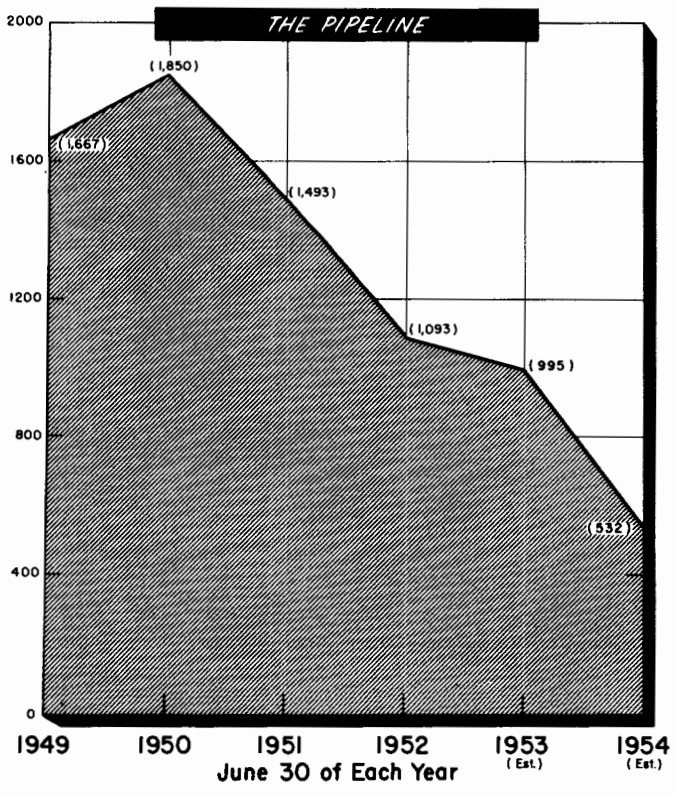
| COUNTRY | APRIL 1948 –JUNE 1949 | FY 1950 | FY 1951 | FY 1952 | FY 1953 | TOTAL APRIL 1948 –JUNE 1953 | FY 1954 *(Country figures are illustrative)* |
|---|---|---|---|---|---|---|---|
| Austria ..... | 280.0 | 166.5 | 110.3 | 120.0 | 49.4 | 726.2 | 20.0 |
| Belgium–Lux. and DOT .. | 261.4 | 240.9 | 74.3 | 8.9 | 1.0 | 586.5 | 0 |
| Denmark ..... | 126.2 | 86.1 | 45.1 | 14.0 | 7.5 | 278.9 | 0 |
| France and DOT ..... | 1,313.4 | 684.3 | 423.1 | 271.5 | 397.5 | 3,089.8 | 500.0 a/ |
| Germany (Fed. Rep.) ... | 613.5 | 457.3 | 384.8 | 106.0 | 83.6 | 1,645.2 | 15.0 |
| Greece ..... | 191.7 | 156.3 | 166.9 | 179.0 | 80.0 | 773.9 | 20.0 |
| Iceland ..... | 8.3 | 7.0 | 8.4 | 5.5 | 5.5 | 34.7 | 0 |
| Ireland ..... | 86.3 | 44.9 | 15.0 | | | 146.2 | 0 |
| Italy (Incl. Trieste) . | 685.9 | 416.2 | 242.9 | 162.5 | 102.0 | 1,609.5 | 57.5 |
| Netherlands and DOT .. | 571.1 | 296.7 | 101.8 | 100.0 | 3.0 | 1,072.6 | 0 |
| Norway and DOT ..... | 101.1 | 89.5 | 46.1 | 16.8 | 21.2 | 274.7 | 0 |
| Portugal and DOT ..... | | 38.8 | 11.1 | | | 49.9 | 0 |
| Sweden ..... | 45.4 | 51.9 | 9.6 | | | 106.9 | 0 |
| Turkey ..... | 49.0 | 58.5 | 45.0 | 70.0 | 55.0 | 277.5 | 50.0 |
| United Kingdom and DOT. | 1,619.7 | 900.9 | 298.4 | 350.0 | 409.6 | 3,578.6 | 200.0 |
| Yugoslavia ..... | | | 29.0 | 80.3 | 121.7 | 231.0 | 45.0 |
| **TOTAL** ..... | 5,953.0 | 3,695.6 | 2,011.7 | 1,484.5 | 1,337.0 | 14,481.8 | 907.5 a/ |
| Undistributed Ocean Freight ..... | | | | 33.5 | 21.5 | 55.0 | |
| EPU–U.S. Contribution . | | | 350.0 | 11.4 | 0.2 | 361.6 | |
| MSA Inventory Account . | | | | | 0.9 | 0.9 | |
| **GRAND TOTAL** ..... | 5,953.0 | 3,695.6 | 2,361.7 | 1,529.3 | 1,359.7 | 14,899.3 | 907.5 a/ |

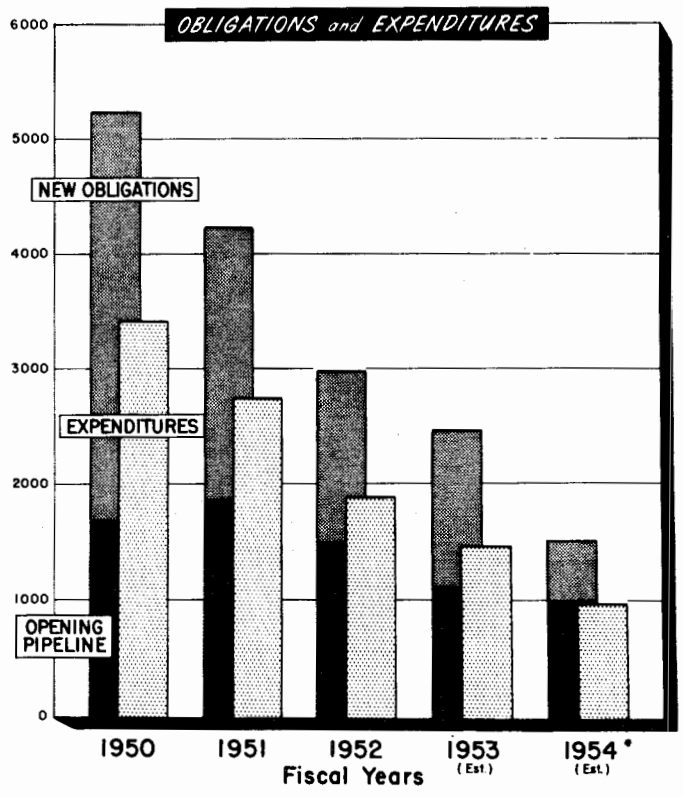
a/ Includes $400 million for financing equipment and support of forces in Indo-China.

# EUROPEAN COUNTRY AID

## OBLIGATIONS, EXPENDITURES, AND PIPELINE

( Millions of Dollars )



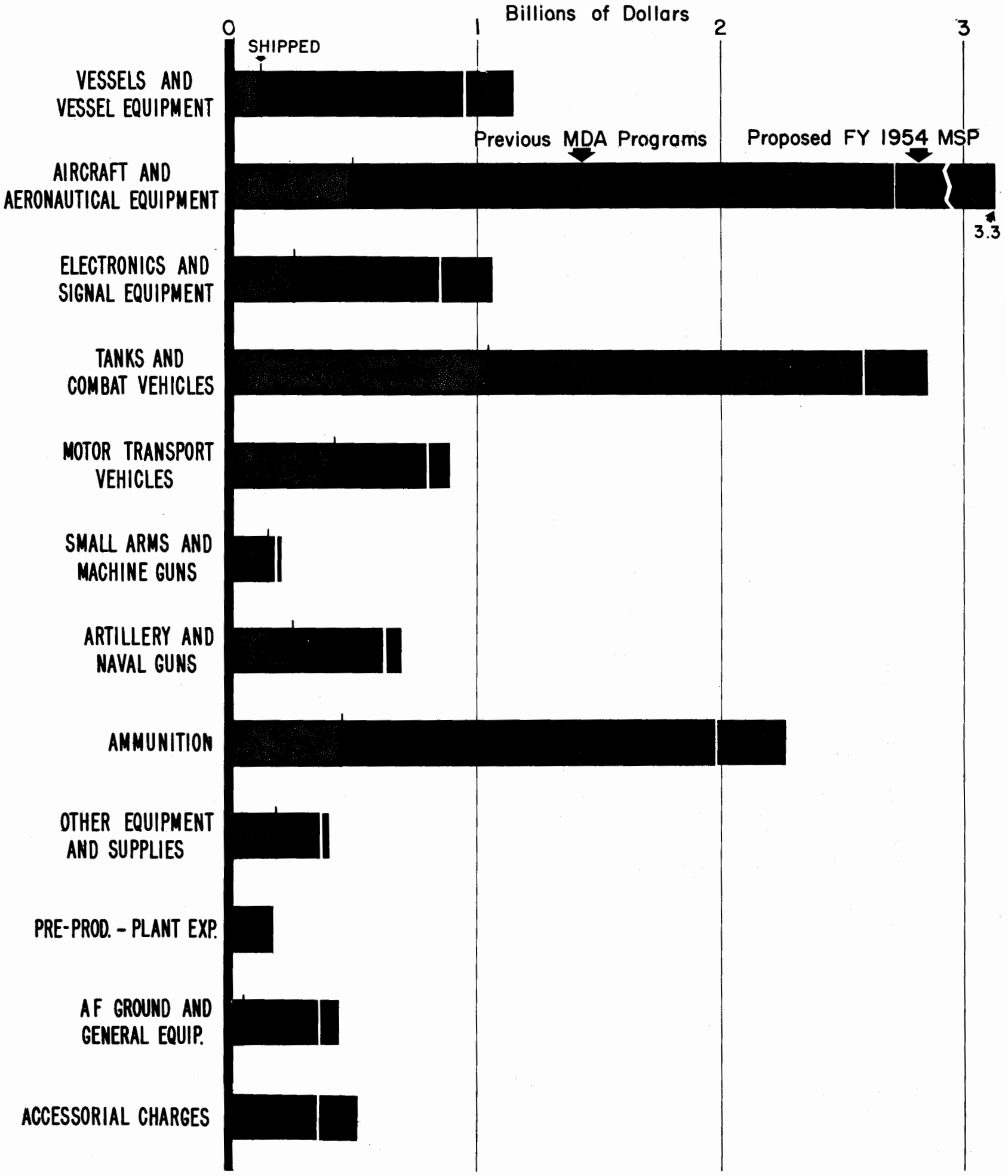




* New obligations in 1954 exclude $400 million for equipment and support of forces in Indochina.

DEPARTMENT OF DEFENSE

MUTUAL DEFENSE ASSISTANCE PROGRAM

# COMPARISON OF FUND UTILIZATION
# PREVIOUS MDAP VS PROPOSED FY 1954 LEGISLATION
# EUROPE



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DEPARTMENT OF DEFENSE
STATISTICAL SUMMARY
PROPOSED FY 1954 MUTUAL DEFENSE ASSISTANCE PROGRAM

| | TOTAL | (a) PCH&T | (b) TOTAL TRAINING | (c) TOTAL MATERIEL | MATERIAL MILITARY DEPARTMENTS ARMY | NAVY | AIR FORCE |
|---|---|---|---|---|---|---|---|
| EUROPE | $2,186,485,870 | $159,390,000 | $107,298,700 | $1,919,797,170 | $800,400,000 | $352,400,000 | $766,997,170 |
| Belgium | 182,025,525 | | 15,160,160 | 166,865,365 | 85,644,948 | 16,069,752 | 65,150,665 |
| Luxembourg | 9,080 | | 9,080 | - | - | - | - |
| Denmark | 92,288,488 | | 3,676,920 | 88,611,568 | 63,487,975 | 18,777,036 | 6,346,557 |
| France | 364,288,133 | | 9,478,910 | 354,809,223 | 55,107,981 | 89,945,652 | 209,755,590 |
| Italy | 351,213,996 | | 10,524,100 | 340,689,896 | 139,218,195 | 32,732,394 | 168,739,307 |
| Netherlands | 93,655,204 | | 8,212,540 | 85,442,664 | 50,613,700 | 18,680,097 | 16,148,867 |
| Norway | 20,056,041 | | 3,295,990 | 16,760,051 | 3,309,671 | 7,155,022 | 6,295,358 |
| Portugal | 21,188,926 | | 2,301,210 | 18,887,716 | 3,996,694 | 11,695,032 | 3,195,990 |
| Spain | 91,090,523 | | 1,545,670 | 89,544,853 | 38,400,000 | 10,800,000 | 40,344,853 |
| Yugoslavia | 216,905,188 | | 1,874,260 | 215,030,928 | 110,000,000 | 5,400,040 | 99,630,888 |
| United Kingdom | 251,115,451 | | 3,530,210 | 247,585,241 | 137,889,341 | 92,834,123 | 16,861,777 |
| Stockpile A | - | - | - | - | - | - | - |
| Stockpile B | 338,526,915 | | 42,957,250 | 295,569,665 | 112,731,495 | 48,310,852 | 134,527,318 |
| PCH&T | 159,390,000 | 159,390,000 | | | | | |
| Training-not distributed | 4,732,400 | | 4,732,400 | | | | |

(a) Entire PCH&T funds withheld by OSD comptroller and released to mil. depts. as needed in accordance with quarterly estimates of shipments.
(b) Training totals include funds by title for technical representatives, interpreters, etc. not included country training programs.
(c) Materiel totals include charges for repair and rehabilitation.

NOTE: The above table excludes budgeted local currencies identifiable as Department of Defense as follows: Offshore Procurement $1,000,000 and Training, Title I $6,003,590.

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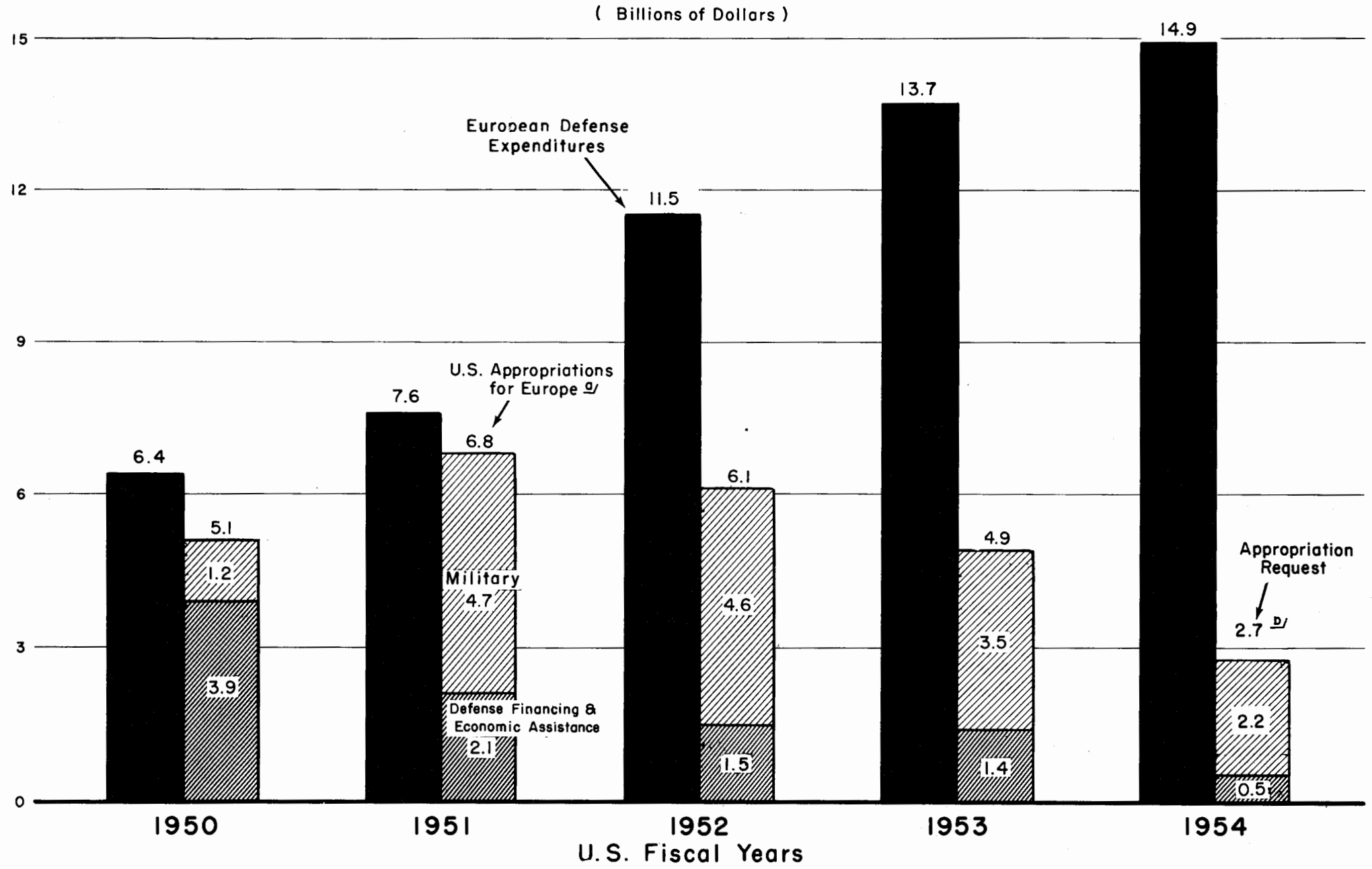
# U.S. APPROPRIATIONS FOR AID TO EUROPE HAVE DECLINED RELATIVE TO EUROPEAN DEFENSE EXPENDITURES

While the U.S. contribution has been large, the main cost of the European defense effort has been borne by the Europeans themselves.




a/ Title I appropriations for economic and defense support, Titles I and II for military. Actual appropriations have been adjusted to reflect inter-appropriation transfers.

b/ Reflects estimated savings of $0.3 billion carry-over from FY 1953 funds.

# AUSTRIA

The failure to obtain a state treaty for Austria has meant the continuation of four power occupation, with Soviet troops occupying a quarter of Austrian territory. Thus Austria is precluded from taking an active part in the defense efforts of the Free World. Despite this Austria has remained firmly on the side of the West, and no more than 5 percent of Austria's voters have chosen the Communist ticket since 1945.

During the past years, United States aid has enabled Austria to purchase essential supplies for current consumption and heavy investment goods necessary to rebuild Austria's capital plant. The reconstruction of the Austrian economy is now largely completed. During the past year, Austria has also succeeded in achieving a substantial measure of internal financial stability while at the same time expanding her exports and building up her depleted gold and dollar reserves. In May the Austrian exchange rate was unified.

Nevertheless economic recovery is not yet complete. Stability has been accompanied by the emergence of a large pool of unemployed and a slow-down in industrial production, which accounts in part for the decline in imports of raw materials and the improvement in the balance of payments position. Austria is also still very vulnerable to interruptions in flow of essential imports from its Eastern neighbors.

Provided economic stability can be maintained, and provided the Soviet Union and its satellites do not increase their economic harassment, there is a reasonable prospect that Austria can be independent of U.S. assistance in FY 1955. For FY 1954, however, Austria has no prospect of increasing dollar exports sufficiently to pay for the needed residual dollar imports which are essential to continued growth. The $20 million in aid programmed for FY 1954 which compares with $49.4 million in FY 1953 and $120 million in FY 1952 will be used largely to import grains, for which the satellite countries have historically been the main source of supply. In addition, cotton will be supplied for processing and re-export within the intra-European trading area.



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# AUSTRIA

AREA - 32,375 square miles

POPULATION - Prewar 6,753,000, Jan. 1, 1953 6,931,000

## USE OF RESOURCES, (AT MARKET PRICES)

| (Millions of $ Equivalents) (In 1951/52 Prices) | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Gross National Product | 3,099 | 3,161 | 3,254 |
| Net Foreign Balance | -135 | +31 | +19 |
| Total Availabilities | 3,234 | 3,130 | 3,235 |
| Consumption - Amount | 2,079 | 2,051 | 2,121 |
| *Percent of GNP* | 67.1 | 64.9 | 65.2 |
| Gross Investment (Priv. and Gov't) - Amount | 731 | 655 | 679 |
| *Percent of GNP* | 23.6 | 20.7 | 20.9 |
| Government Services, Total | 424 | 424 | 435 |
| Non-Military | 403 | 401 | 412 |
| Military - Amount a/ | 21 | 23 | 23 |
| *Percent of GNP* | 0.7 | 0.7 | 0.7 |

a/ Occupation costs and security police.

## INDEXES OF PRODUCTION

| | INDUSTRIAL (1948 = 100) | | AGRICULTURAL (Prewar = 100) |
|---|---|---|---|
| 1938 | 118 | Prewar | 100 |
| 1947 | - | 1947/48 | 66 |
| 1948 | 100 | 1948/49 | 72 |
| 1949 | 133 | 1949/50 | 80 |
| 1950 | 158 | 1950/51 | 91 |
| 1951 | 179 | 1951/52 | 97 |
| 1952 | 181 | 1952/53 | 100 |

## GOLD AND SHORT-TERM DOLLAR ASSETS ($ Millions)

| 1949 | 1950 | | 1951 | | 1952 | | 1953 |
|---|---|---|---|---|---|---|---|
| SEPT. | JUNE | DEC. | JUNE | DEC. | JUNE | DEC. | APR. |
| 92 | 85 | 92 | 94 | 107 | 102 | 143 | 160 |

## GOLD AND DOLLAR TRANSACTIONS (Millions of $ Equivalents)

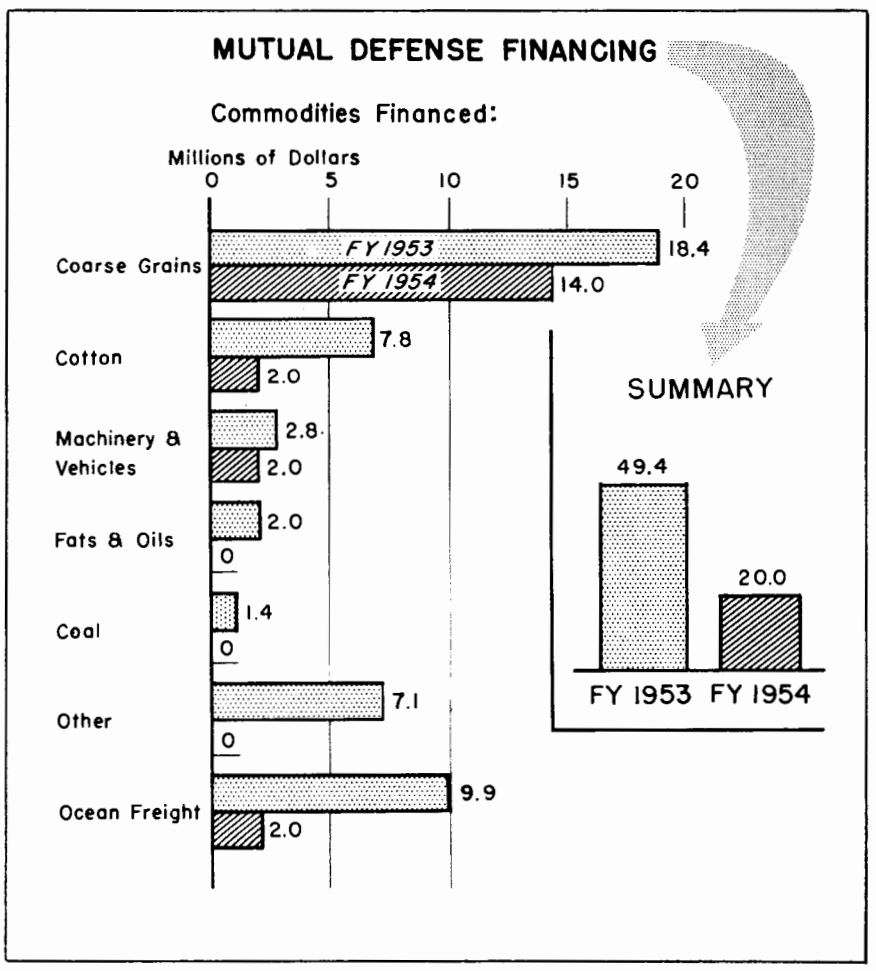
| | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Imports (f.o.b.) | 131.2 | 85.0 | 85.0 |
| Exports (f.o.b.) | 35.6 | 31.0 | 31.0 |
| U.S. Military Expenditures | 34.9 | 30.0 | 30.0 |
| Net Balance for Services | -37.1 | -7.6 | -11.3 |
| Net Balance Asso. Monetary Areas | - | - | - |
| Net Settlements | -38.4 | +17.5 | +1.8 |
| Net Capital Operations | -4.8 | +15.5 | -12.1 |
| BALANCE BEFORE MSP RECEIPTS | -141.0 | +1.4 | -45.6 |
| MUTUAL SECURITY PROGRAM RECEIPTS | | | |
| U.S. Offshore Procurement | 0 | 0 | 0 |
| Use of Pipeline | +29.0 | +9.2 | +10.8 |
| *(+ is use -is accumulation)* | | | |
| *MUTUAL DEFENSE FINANCING* | 120.0 | 49.4 | 20.0 |
| TOTAL MSP RECEIPTS | 149.0 | 58.6 | 30.8 |
| CHANGE IN RESERVES | +8.0 | +60.0 | -14.8 |
| *(+ is increase -is decrease)* | | | |

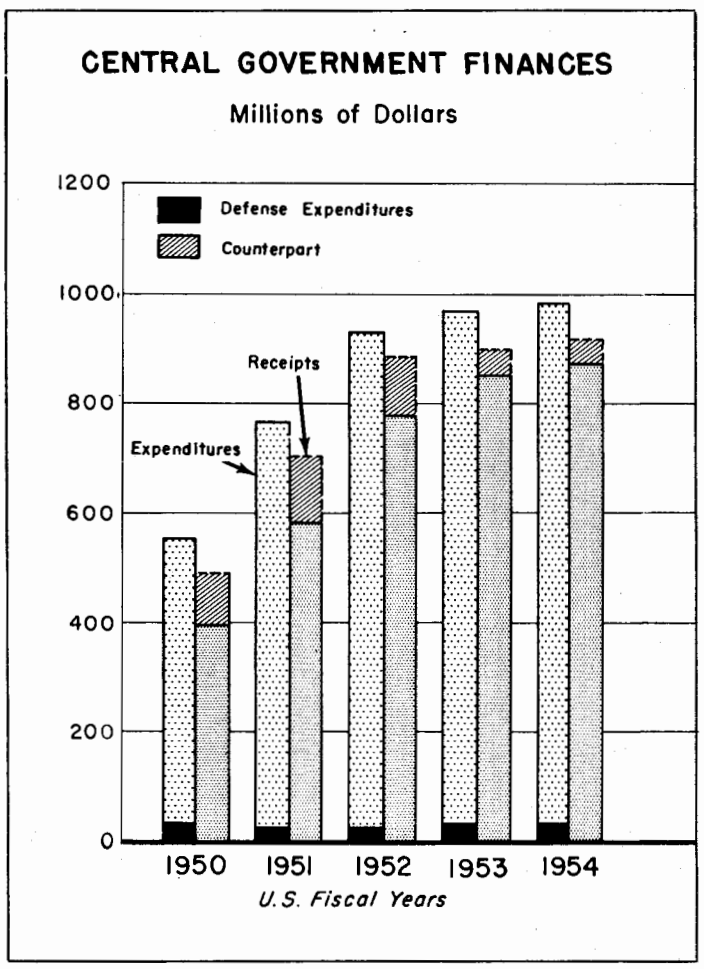
## GOVERNMENT FINANCES (Millions of $ Equivalents)

| CENTRAL GOVERNMENT | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| TOTAL REVENUES (incl. Counterpart) | 880 | 900 | 915 |
| Taxes and Other Revenues | 776 | 850 | 870 |
| Counterpart | 104 | 50 | 45 |
| TOTAL EXPENDITURES | 939 | 960 | 980 |
| Defense Expenditures a/ | 21 | 23 | 23 |
| Other | 918 | 937 | 957 |
| DEFICIT OR SURPLUS | -59 | -60 | -65 |

| GROSS DEBT OF CENTRAL GOVERNMENT | 1950 | 1951 | 1952 |
|---|---|---|---|
| Amount Outstanding as of Dec. 31 | 532 | 485 | 500 |
| *Percent of Gross National Product* | 26.5 | 17.7 | 15.3 |

| TAX RECEIPTS OF ALL LEVELS OF GOV'T FY YEAR ENDING December 31 | 1950 | 1951 | 1952 |
|---|---|---|---|
| Central Gov't (excl. Social Insurance) | 427 | 637 | 776 |
| Social Insurance | 131 | 160 | 234 |
| Regional and Local Governments | 70 | 79 | 84 |
| TOTAL TAXES | 628 | 876 | 1,094 |
| TOTAL TAXES AS A PERCENT OF GNP | 31.3 | 32.0 | 33.4 |



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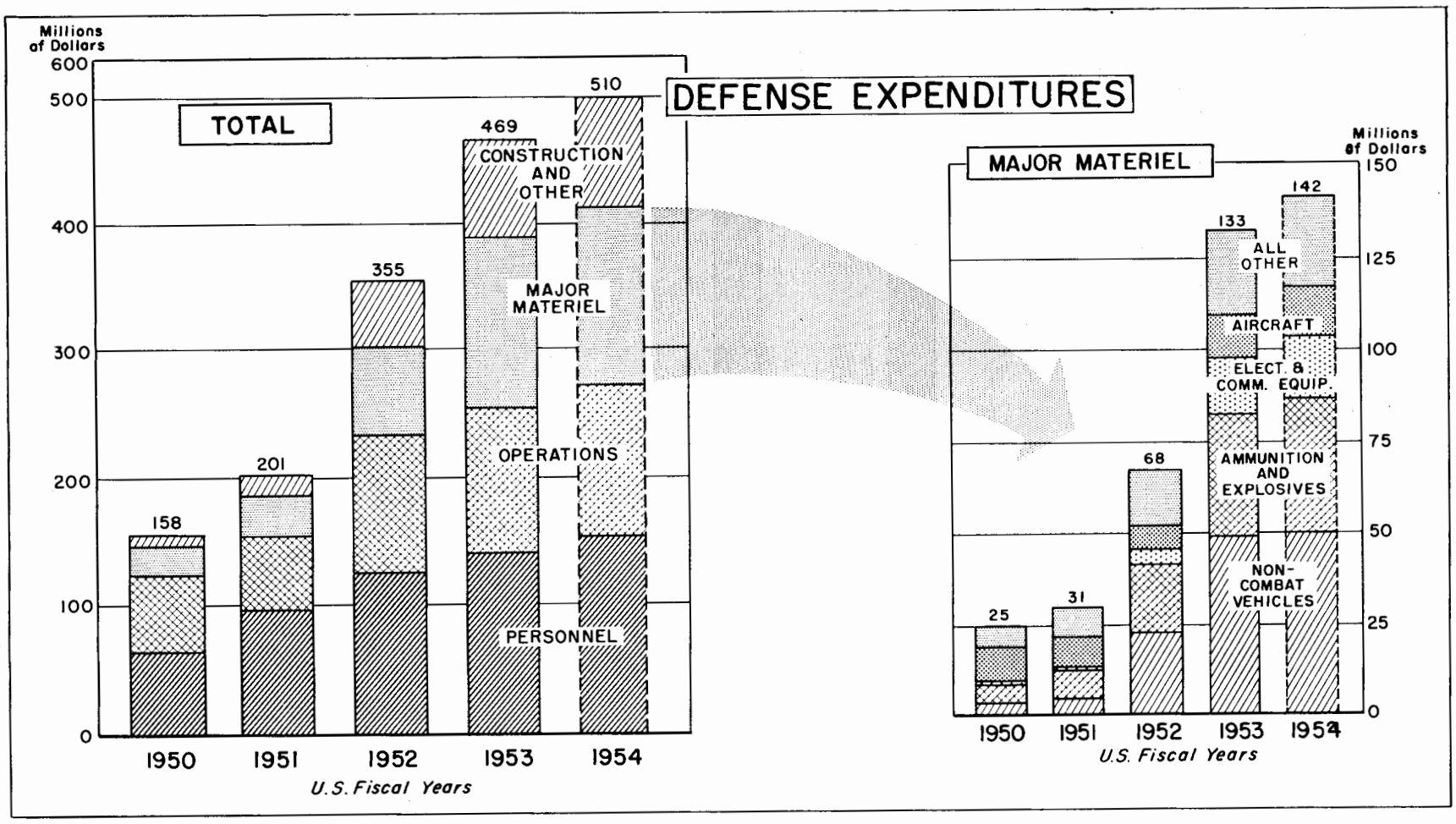
# BELGIUM

The nature of the dollar aid to Belgium was generally different from that given to most other Western European countries. The Belgian dollar shortage resulted from the fact that while a significant portion of Belgium's imports came from the dollar area, its principal market has been in Europe. After the war, the major buyers of Belgian products were unable to pay for Belgian goods in the hard currencies needed to pay for dollar imports. Dollar aid to Belgium was therefore almost entirely in the form of conditional aid, through which American dollars were extended to Belgium in return for grants of equal value by Belgium to other OEEC countries.

Since 1951 the Belgian economy has recovered sufficiently that, except for relatively small amounts for direct military projects and for productivity purposes, it has been able to get along without direct dollar assistance. In part, this has been due to the creation of the European Payments Union, as a result of which Belgium was able to collect portions of its surplus earnings from Europe in dollars. In part, it was due to the gradual recovery of production in the other countries of Western Europe so that Belgium could obtain more products locally that previously had to be bought in the dollar area.

The Belgians' ability to get along without direct dollar aid is assisted by the receipts of various extraordinary dollar payments including in FY 1953 $75.7 million from U.S. offshore procurement and military expenditures. For FY 1954 $95.4 million from these sources is projected. Without these receipts, particularly in 1954, Belgium would probably have to dip into its dollar reserves or curtail further its present level of economic activity.



# BELGIUM

AREA - 12,777 square miles

POPULATION - Prewar 8,675,000, Jan. 1, 1953 9,038,000

## USE OF RESOURCES, (AT MARKET PRICES)

| *(Millions of $ Equivalents) (In 1951/52 Prices)* | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Gross National Product | 7,642 | 7,401 | 7,552 |
| Net Foreign Balance | +307 | +16 | +88 |
| Total Availabilities | 7,335 | 7,385 | 7,464 |
| Consumption - Amount | 5,206 | 5,105 | 5,134 |
| *percent of GNP* | 68.1 | 69.0 | 68.0 |
| Gross Investment (Priv. and Gov't) - Amount | 1,166 | 1,171 | 1,190 |
| *Percent of GNP* | 15.3 | 15.8 | 15.8 |
| Government Services, Total | 963 | 1,109 | 1,140 |
| Non-Military | 608 | 640 | 630 |
| Military - Amount | 355 | 469 | 510 |
| *Percent of GNP* | 4.6 | 6.3 | 6.8 |

## INDEXES OF PRODUCTION

| | INDUSTRIAL *(1948 = 100)* | | AGRICULTURAL *(Prewar = 100)* |
|---|---|---|---|
| 1938 | 82 | Prewar | 100 |
| 1947 | 93 | 1947/48 | 83 |
| 1948 | 100 | 1948/49 | 92 |
| 1949 | 100 | 1949/50 | 103 |
| 1950 | 102 | 1950/51 | 108 |
| 1951 | 117 | 1951/52 | 107 |
| 1952 | 114 | 1952/53 | 109 |

## GOLD AND SHORT-TERM DOLLAR ASSETS *($ Millions)* a/

| 1949 | 1950 | | 1951 | | 1952 | | 1953 |
|---|---|---|---|---|---|---|---|
| SEPT. | JUNE | DEC. | JUNE | DEC. | JUNE | DEC. | APR. |
| 935 | 871 | 846 | 845 | 898 | 967 | 1,036 | 1,041 |

a/ Includes reserves of Belgian Congo.

## GOLD AND DOLLAR TRANSACTIONS *(Millions of $ Equivalents)*

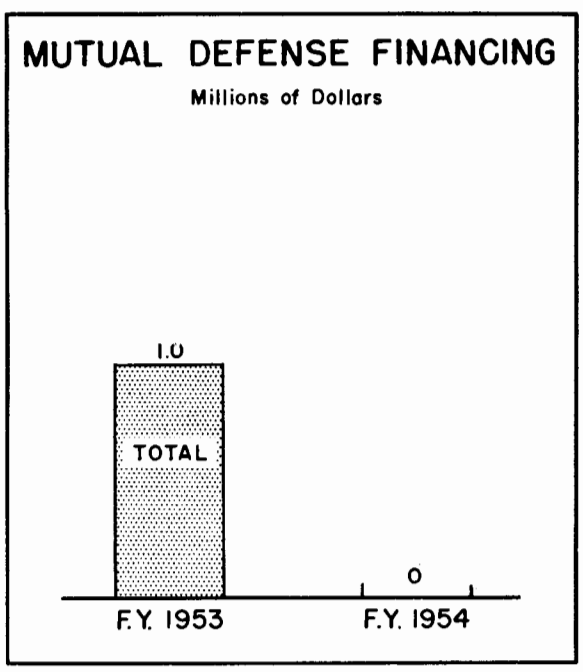
| | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Imports (f.o.b.) | 543.0 | 390.0 | 430.0 |
| Exports (f.o.b.) | 324.0 | 300.0 | 310.0 |
| U.S. Military Expenditures | 39.1 | 71.4 | 77.3 |
| Net Balance for Services | -76.8 | -48.0 | -52.6 |
| Net Balance Asso. Monetary Areas | +23.0 | +70.0 | +40.0 |
| Net Settlements | +369.4 | -10.0 | +25.0 |
| Net Capital Operations | -37.9 | +61.5 | +12.5 |
| BALANCE BEFORE MSP RECEIPTS | +97.8 | +54.9 | -17.8 |
| MUTUAL SECURITY PROGRAM RECEIPTS | | | |
| U.S. Offshore Procurement | 0 | 4.3 | 18.1 |
| Use of Pipeline *( + is use —is accumulation)* | +15.3 | +15.6 | +10.2 |
| *MUTUAL DEFENSE FINANCING* | 8.9 | 1.0 | 0 |
| TOTAL MSP RECEIPTS | 24.2 | 20.9 | 28.3 |
| CHANGE IN RESERVES *( + is increase —is decrease)* | +122.0 | +75.8 | +10.5 |

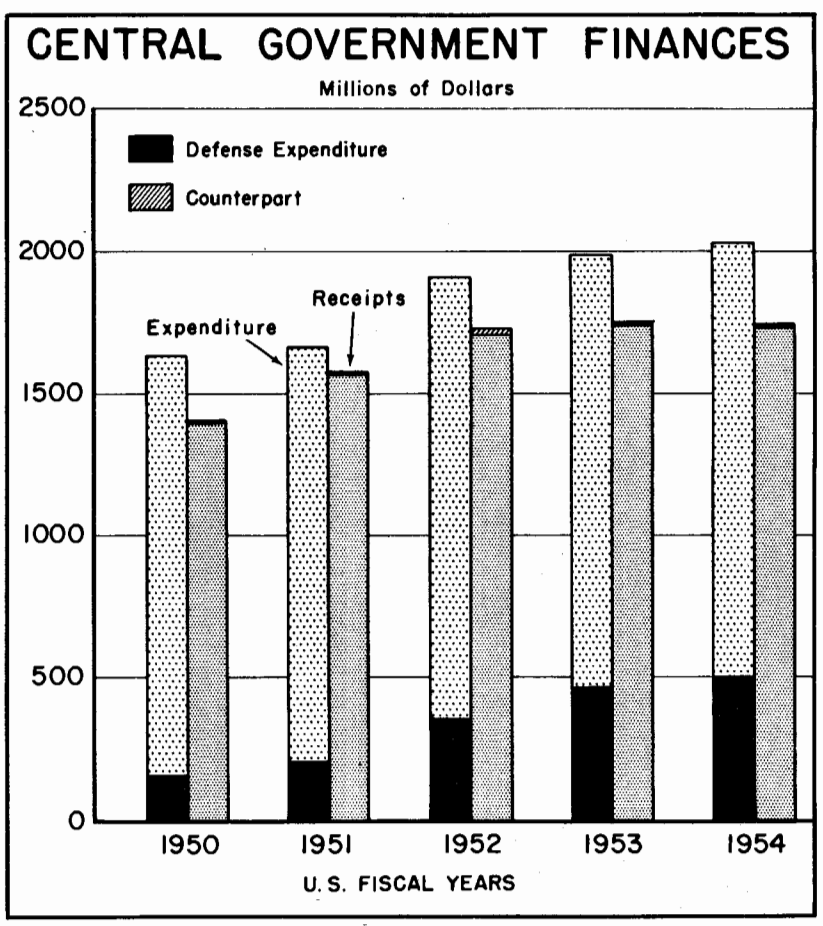
## GOVERNMENT FINANCES *(Millions of $ Equivalents)*

| CENTRAL GOVERNMENT | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| TOTAL REVENUES (incl. Counterpart) | 1,735 | 1,756 | 1,741 |
| Taxes and Other Revenues | 1,713 | 1,750 | 1,740 |
| Counterpart | 22 | 6 | 1 |
| TOTAL EXPENDITURES | 1,904 | 1,990 | 2,030 |
| Defense Expenditures | 355 | 469 | 510 |
| Other | 1,549 | 1,521 | 1,520 |
| DEFICIT OR SURPLUS | -169 | -234 | -289 |

| GROSS DEBT OF CENTRAL GOVERNMENT | 1950 | 1951 | 1952 |
|---|---|---|---|
| Amount Outstanding as of Dec. 31 | 4,660 | 4,800 | 5,000 |
| Percent of Gross National Product | 72.2 | 62.4 | 65.9 |

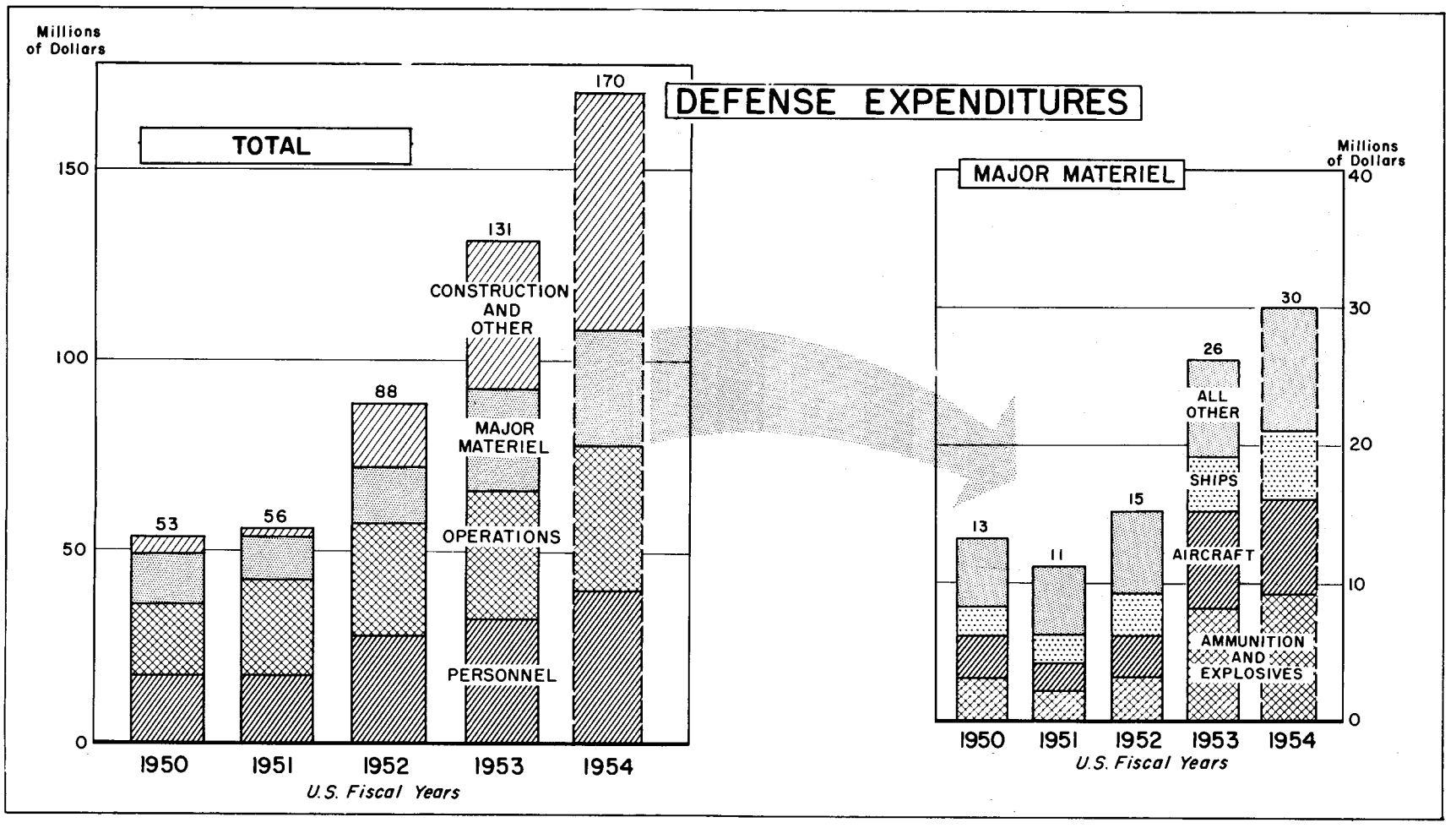
| TAX RECEIPTS OF ALL LEVELS OF GOV'T | FY ENDING DEC. 31 1950 | 1951 | 1952 |
|---|---|---|---|
| Central Gov't (excl. Social Insurance) | 1,263 | 1,572 | 1,598 |
| Social Insurance | 402 | 514 | 532 |
| Regional and Local Governments | 57 | 64 | 64 |
| TOTAL TAXES | 1,722 | 2,150 | 2,194 |
| TOTAL TAXES AS A PERCENT OF GNP | 26.7 | 27.9 | 28.9 |



# DENMARK

Economic assistance to Denmark was publicly suspended on June 10, 1953; it had amounted to almost $300 millions over the period of 5 years, 90 percent of it in the form of grant aid. Aid to Denmark assisted her to restore her livestock herds to above prewar levels, and to increase her agricultural production by 50 percent between 1948 and 1952; in addition, Danish industrial output rose 15 percent over the 5 years of U.S. economic assistance. These considerable increases of output made possible a near doubling of export volume between 1948 and 1952, and a reduction of Danish deficit in her foreign trade from over $60 millions in 1948 to a slight surplus in 1952. She has had considerable success in increasing the level of her exports to the dollar area in the past few years. Furthermore, her sales to the U.S. Army in Germany rose from a little under $6 millions to $16 millions between 1952 and 1953 fiscal years. Consequently, the Danish gold and dollar holdings have increased significantly in the past year, and now provide her with a satisfactory level of dollar reserves. Danish success in increasing her total output and her export income has made possible an enlargement of her defense program between 1950 and the present time. Defense expenditures in FY 1953 amounted to 3.5 percent of total output.



# DENMARK

AREA - 16,576 square miles

POPULATION - Prewar 3,767,000, Jan. 1, 1953 4,331,000

## USE OF RESOURCES, (AT MARKET PRICES)

| (Millions of $ Equivalents) (In 1951/52 Prices) | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Gross National Product | 3,650 | 3,740 | 3,800 |
| Net Foreign Balance | +8 | -94 | -128 |
| Total Availabilities | 3,642 | 3,834 | 3,928 |
| Consumption - Amount | 2,420 | 2,470 | 2,510 |
| *Percent of GNP* | 66.3 | 66.0 | 66.1 |
| Gross Investment (Priv. and Gov't) - Amount | 690 | 770 | 780 |
| *Percent of GNP* | 18.9 | 20.6 | 20.5 |
| Government Services, Total | 532 | 594 | 638 |
| Non-Military | 444 | 463 | 468 |
| Military - Amount | 88 | 131 | 170 |
| *Percent of GNP* | 2.4 | 3.5 | 4.5 |

## INDEXES OF PRODUCTION

| | INDUSTRIAL (1948 = 100) | | AGRICULTURAL (Prewar = 100) |
|---|---|---|---|
| 1938 | 77 | Prewar | 100 |
| 1947 | 90 | 1947/48 | 84 |
| 1948 | 100 | 1948/49 | 94 |
| 1949 | 107 | 1949/50 | 108 |
| 1950 | 118 | 1950/51 | 116 |
| 1951 | 121 | 1951/52 | 112 |
| 1952 | 115 | 1952/53 | 114 |

## GOLD AND SHORT-TERM DOLLAR ASSETS ($ Millions)

| 1949 | 1950 | | 1951 a/ | | 1952 a/ | | 1953 a/ |
|---|---|---|---|---|---|---|---|
| SEPT. | JUNE | DEC. | JUNE | DEC. | JUNE | DEC. | APR. |
| 64 | 67 | 76 | 76 | 76 | 65 | 101 | 101 |

## GOLD AND DOLLAR TRANSACTIONS (Millions of $ Equivalents)

| | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Imports (f.o.b.) | 100.2 | 57.5 | 59.0 |
| Exports (f.o.b.) | 48.3 | 49.5 | 46.5 |
| U.S. Military Expenditures | 5.6 | 15.5 | 22.9 |
| Net Balance for Services | -1.4 | +8.0 | +9.5 |
| Net Balance Asso. Monetary Areas | - | - | - |
| Net Settlements | +5.5 | +19.0 | - |
| Net Capital Operations | +5.7 | +4.1 | -11.3 |
| BALANCE BEFORE MSP RECEIPTS | -36.5 | +38.6 | +8.6 |
| MUTUAL SECURITY PROGRAM RECEIPTS | | | |
| U.S. Offshore Procurement | 0 | 0.9 | 4.8 |
| Use of Pipeline | +18.5 | +3.0 | +5.1 |
| (+ is use -is accumulation) | | | |
| *MUTUAL DEFENSE FINANCING* | 14.0 | 7.5 | 0 |
| TOTAL MSP RECEIPTS | 32.5 | 11.4 | 9.9 |
| CHANGE IN RESERVES | -4.0 | +30.0 | +18.5 |
| (+ is increase -is decrease) | | | |

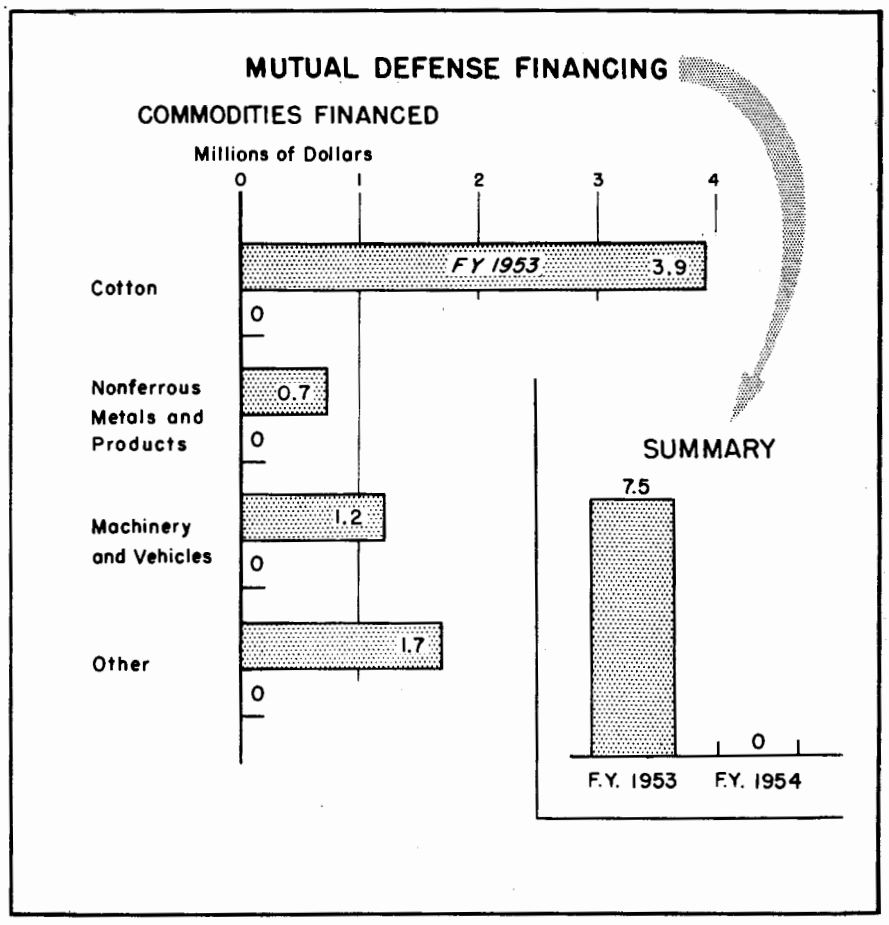
## GOVERNMENT FINANCES (Millions of $ Equivalents)

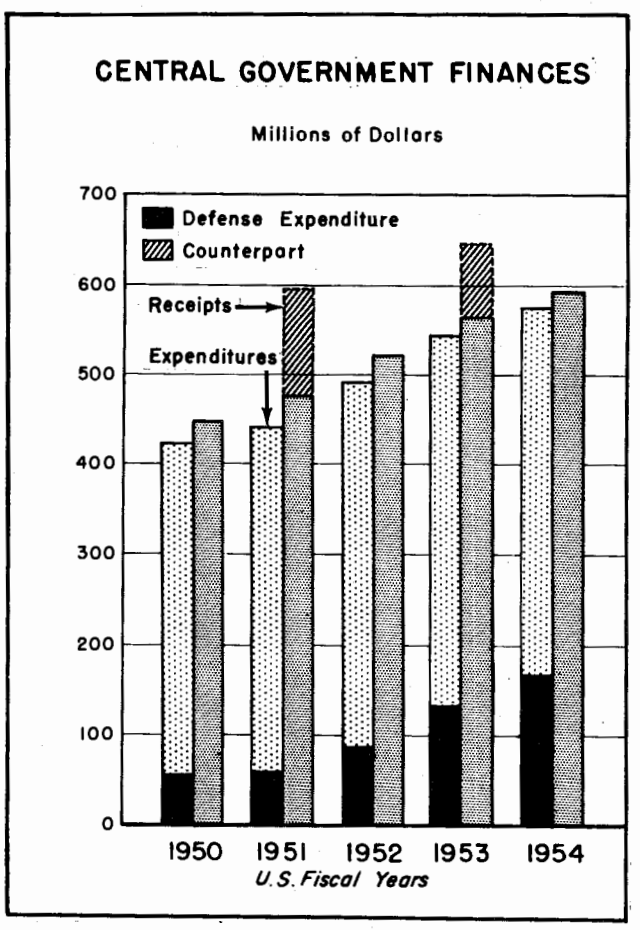
| CENTRAL GOVERNMENT | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| TOTAL REVENUES (incl. Counterpart) | 520 | 646 | 597 |
| Taxes and Other Revenues | 520 | 561 | 597 |
| Counterpart | - | 85 | - |
| TOTAL EXPENDITURES | 491 | 541 | 577 |
| Defense Expenditures | 88 | 131 | 170 |
| Other | 403 | 410 | 407 |
| DEFICIT OR SURPLUS | +29 | +105 | +20 |

| GROSS DEBT OF CENTRAL GOVERNMENT | 1951 | 1952 | 1953 |
|---|---|---|---|
| Amount Outstanding as of Mar. 31 | 1,287 | 1,310 | 1,276 |
| *Percent of Gross National Product* | 40.0 | 37.1 | 34.6 |

| TAX RECEIPTS OF ALL LEVELS OF GOV'T | FY ENDING MAR 31 1951 | 1952 | 1953 |
|---|---|---|---|
| Central Gov't (excl. Social Insurance) | 441 | 529 b/ | 549 b/ |
| Social Insurance | 40 | 43 | 49 |
| Regional and Local Governments | 161 | 194 | 210 |
| TOTAL TAXES | 642 | 766 | 808 |
| TOTAL TAXES AS A PERCENT OF GNP | 20.0 | 21.7 | 21.9 |

a/ Exclusive of gold holdings not publicly reported.
b/ Includes compulsory savings.



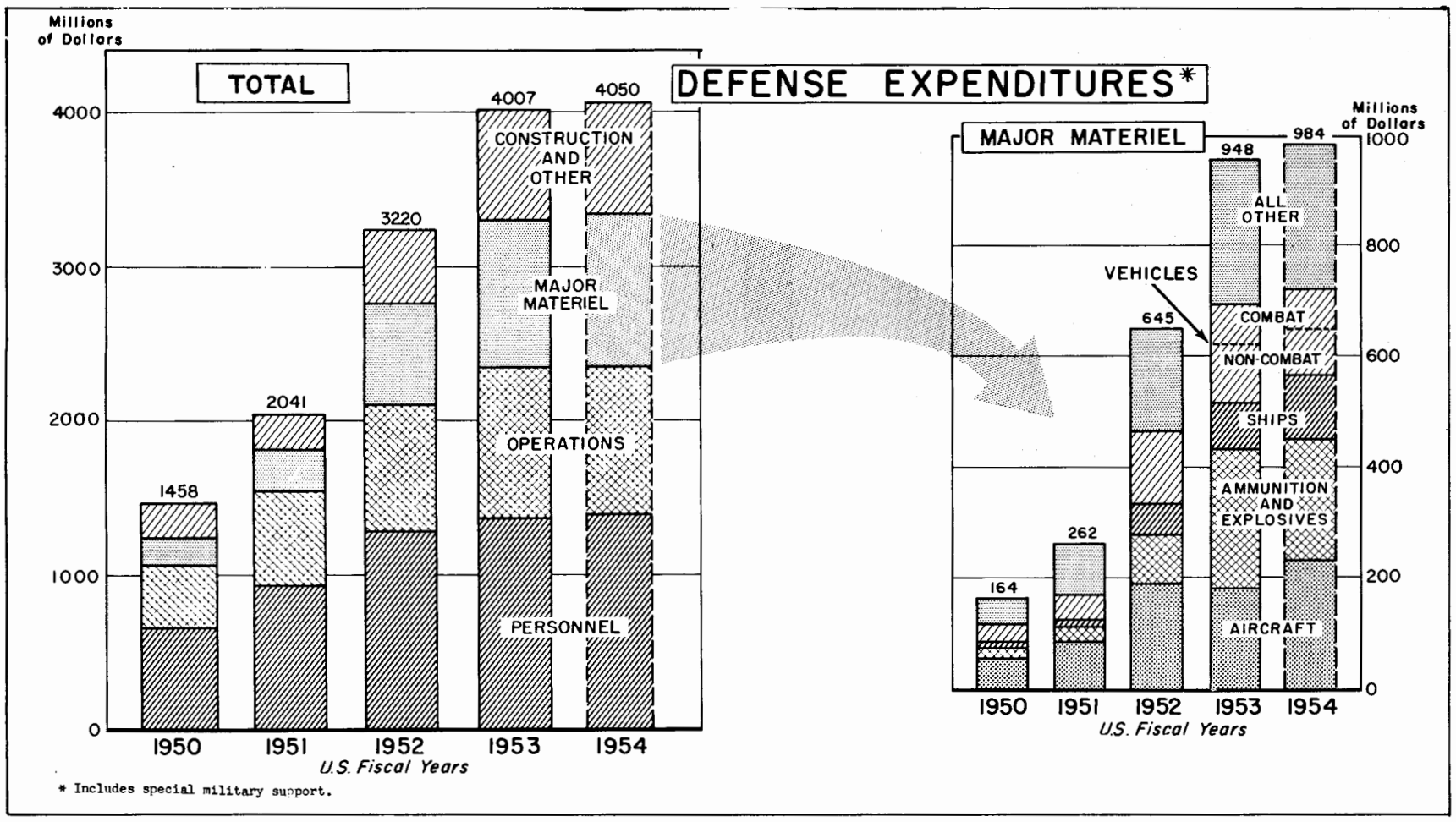
# FRANCE

The French defense program for FY 1954 involves estimated expenditures (inclusive of special defense financing) of about $4 billion, or 11 percent of the total French national production and approximately 40 percent of the total French Government budget. One-third of this defense budget finances the war against communist forces in Indochina.

Direct assistance to the French defense effort in Europe will be $100 million. These funds will be used to finance production of certain additional ground force equipment, principally ammunition, for French NATO forces. The production to be financed is within the French defense production program but represents a margin of expenditure which the French Government itself cannot provide during 1954. In the absence of this financing the French defense production program would be curtailed. While a smaller French defense production program would not necessarily reduce ammunition and artillery, it is considered particularly important to relate our financing directly to those items, and principally to the ammunition. Ammunition is of urgent priority for NATO ground forces, and a substantial supply of French-type ammunition for French-type weapons in the hands of French forces must be sustained and augmented.

The U.S. will not directly procure the items involved, but will reimburse the French Government upon satisfactory evidence of expenditure on the production of items agreed in advance.

In addition to the $100 million of special financing of ammunition and artillery, the French Government will be able to devote to its European forces financial resources freed by the U.S. program in Indochina. This program (discussed under Indochina) will finance $400 million or about one-third of the cost to France of the French and Associated States forces fighting the war in Indochina.




* Includes special military support.

# FRANCE

AREA - 213,724 square miles

POPULATION - Prewar 41,100,000, Jan. 1, 1953 42,610,000

## USE OF RESOURCES, (AT MARKET PRICES)

| *(Millions of $ Equivalents) (In 1951/52 Prices)* | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Gross National Product | 34,776 | 35,645 | 36,535 |
| Net Foreign Balance | -291 | -350 | -400 |
| Total Availabilities | 35,067 | 35,995 | 36,935 |
| Consumption - Amount | 23,890 | 23,925 | 24,530 |
| *Percent of GNP* | 68.7 | 67.1 | 67.1 |
| Gross Investment (Priv. and Gov't) - Amount | 5,395 | 5,410 | 5,690 |
| *Percent of GNP* | 15.5 | 15.2 | 15.6 |
| Government Services, Total | 5,782 | 6,660 | 6,715 |
| Non-Military | 2,562 | 2,653 | 2,665 |
| Military - Amount | 3,220 | 4,007 | 4,050 |
| *Percent of GNP* | 9.3 | 11.2 | 11.1 |

## INDEXES OF PRODUCTION

| | INDUSTRIAL *(1948 = 100)* | | AGRICULTURAL *(Prewar = 100)* |
|---|---|---|---|
| 1938 | 90 | Prewar | 100 |
| 1947 | 86 | 1947/48 | 84 |
| 1948 | 100 | 1948/49 | 100 |
| 1949 | 110 | 1949/50 | 102 |
| 1950 | 111 | 1950/51 | 108 |
| 1951 | 125 | 1951/52 | 105 |
| 1952 | 131 | 1952/53 | 109 |

## GOLD AND SHORT-TERM DOLLAR ASSETS *($ Millions)* a/

| 1949 | 1950 | | 1951 | | 1952 | | 1953 |
|---|---|---|---|---|---|---|---|
| SEPT. | JUNE | DEC. | JUNE | DEC. | JUNE | DEC. | APR. |
| 734 | 787 | 835 | 877 | 902 | 938 | 975 | 865 |

a/ Includes overseas territories. Exclusive of gold holdings not publicly reported.

## GOLD AND DOLLAR TRANSACTIONS *(Millions of $ Equivalents)*

| | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Imports (f.o.b.) | 665.5 | 475.0 | 541.0 |
| Exports (f.o.b.) | 326.4 | 265.0 | 265.0 |
| U.S. Military Expenditures | 118.1 | 230.0 | 330.0 |
| Net Balance for Services | -130.9 | -110.0 | -85.0 |
| Net Balance Asso. Monetary Areas | -164.5 | -150.0 | -120.0 |
| Net Settlements | -170.7 | -365.0 | -240.0 |
| Net Capital Operations | +101.5 | +63.0 | -21.0 |
| BALANCE BEFORE MSP RECEIPTS | -585.6 | -542.0 | -412.0 |
| MUTUAL SECURITY PROGRAM RECEIPTS | | | |
| U.S. Offshore Procurement | 8.3 | 178.9 | 322.7 |
| Use of Pipeline | 198.8 | -116.0 | -75.3 |
| *( + is use —is accumulation)* | | | |
| *MUTUAL DEFENSE FINANCING* | 271.5 | 397.5 | 500.0 a/ |
| TOTAL MSP RECEIPTS | 478.6 | 460.5 | 747.4 |
| CHANGE IN RESERVES | -107.0 | -81.5 | +335.4 |
| *( + is increase —is decrease)* | | | |

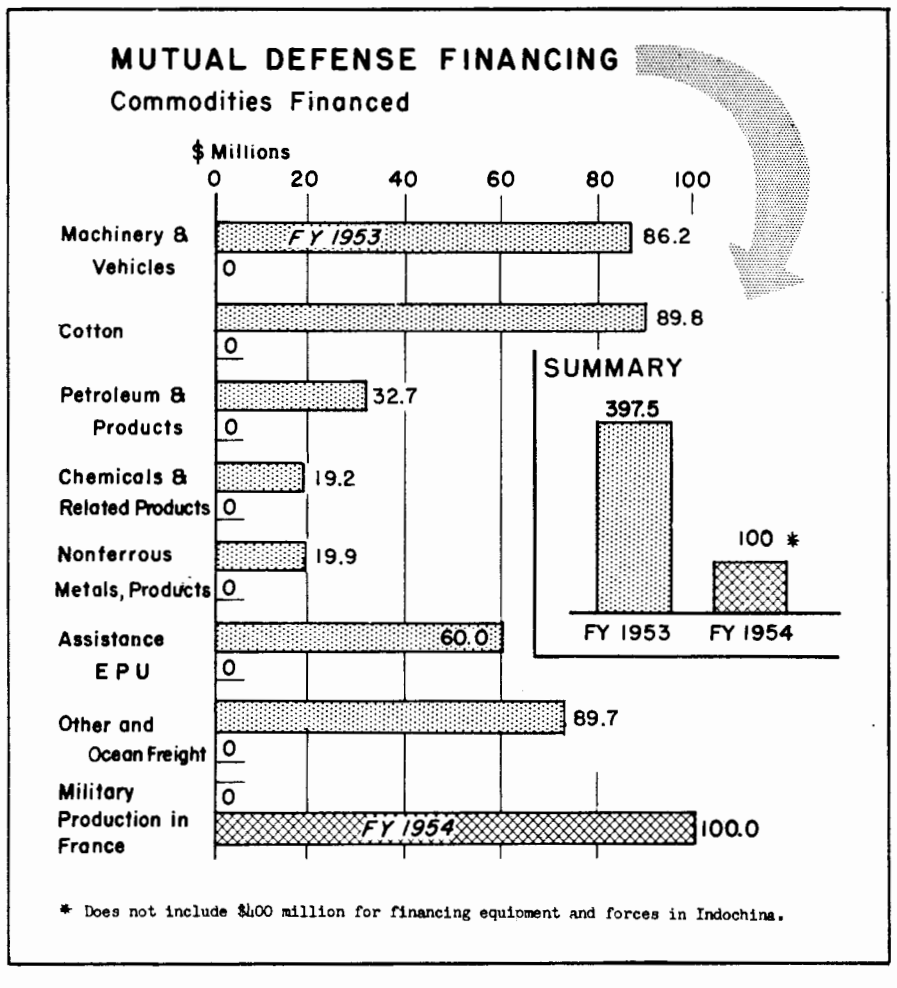
## GOVERNMENT FINANCES *(Millions of $ Equivalents)*

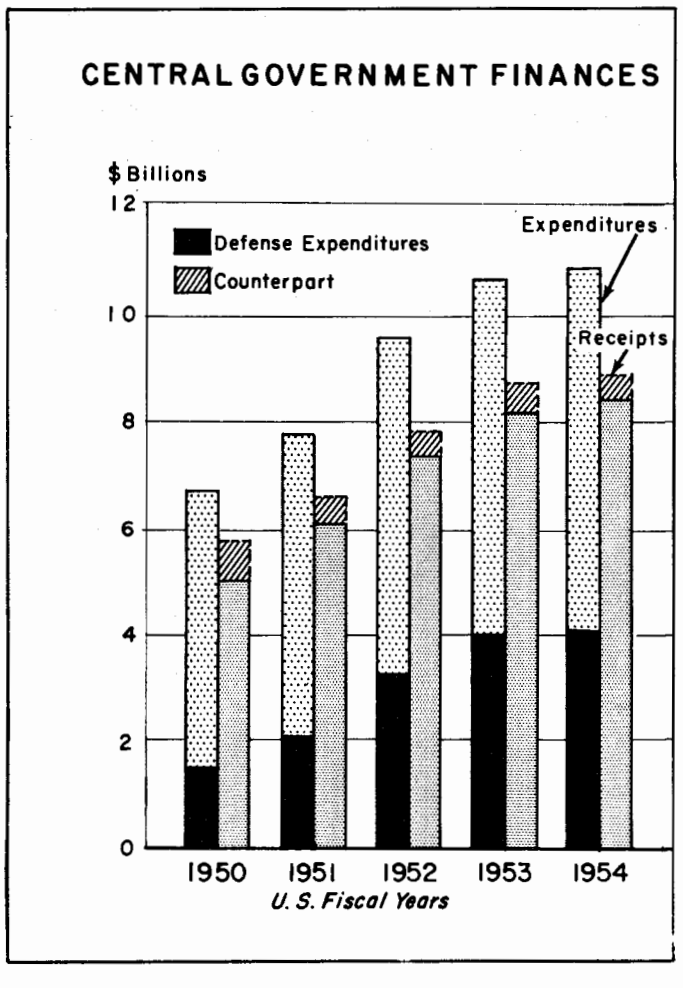
| CENTRAL GOVERNMENT | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| TOTAL REVENUES (incl. Counterpart) | 7,739 | 8,761 | 8,882 |
| Taxes and Other Revenues | 7,306 | 8,148 | 8,400 |
| Counterpart | 433 | 613 | 482 |
| TOTAL EXPENDITURES | 9,529 | 10,670 | 10,850 |
| Defense Expenditures | 3,220 | 4,007 | 4,050 |
| Other | 6,309 | 6,663 | 6,800 |
| DEFICIT OR SURPLUS | -1,790 | -1,909 | -1,968 |

| GROSS DEBT OF CENTRAL GOVERNMENT | 1950 | 1951 | 1952 |
|---|---|---|---|
| Amount Outstanding as of Dec. 31 | 11,180 | 11,620 | 13,609 |
| *Percent of Gross National Product* | 43.6 | 36.0 | 36.5 |

| TAX RECEIPTS OF ALL LEVELS OF GOV'T | FY ENDING DEC. 31 1950 | 1951 | 1952 |
|---|---|---|---|
| Central Gov't (excl. Social Insurance) | 5,003 | 6,200 | 7,106 |
| Social Insurance | 2,086 | 2,500 | 2,951 |
| Regional and Local Governments | 854 | 1,100 | 1,629 |
| TOTAL TAXES | 7,943 | 9,800 | 11,686 |
| TOTAL TAXES AS A PERCENT OF GNP | 31.0 | 30.3 | 31.4 |

a/ Includes $400 million for financing equipment and support of forces in Indochina.



# GERMANY (FED. REP.)

The stream of refugees arriving in Western Berlin has averaged 1200 a day before the East German revolt. $15 million of economic aid is scheduled as the U. S. contribution to solution of the refugee problem in Berlin caused by the influx of refugees from behind the Iron Curtain.

The main purpose of this assistance is to get the maximum number of refugees out of Berlin to Western Germany, where the Federal Republic maintains a comprehensive program for taking care of the great bulk of refugees. Under present arrangements, Berlin has to retain 4 percent of "recognized" refugees and an unknown number of "non-recognized" refugees. Even this relatively small percentage of the total flow is a strain on its already overburdened economy.

Our program is designed to do the following:

1. Help the reception and processing of refugees arriving in West Berlin.

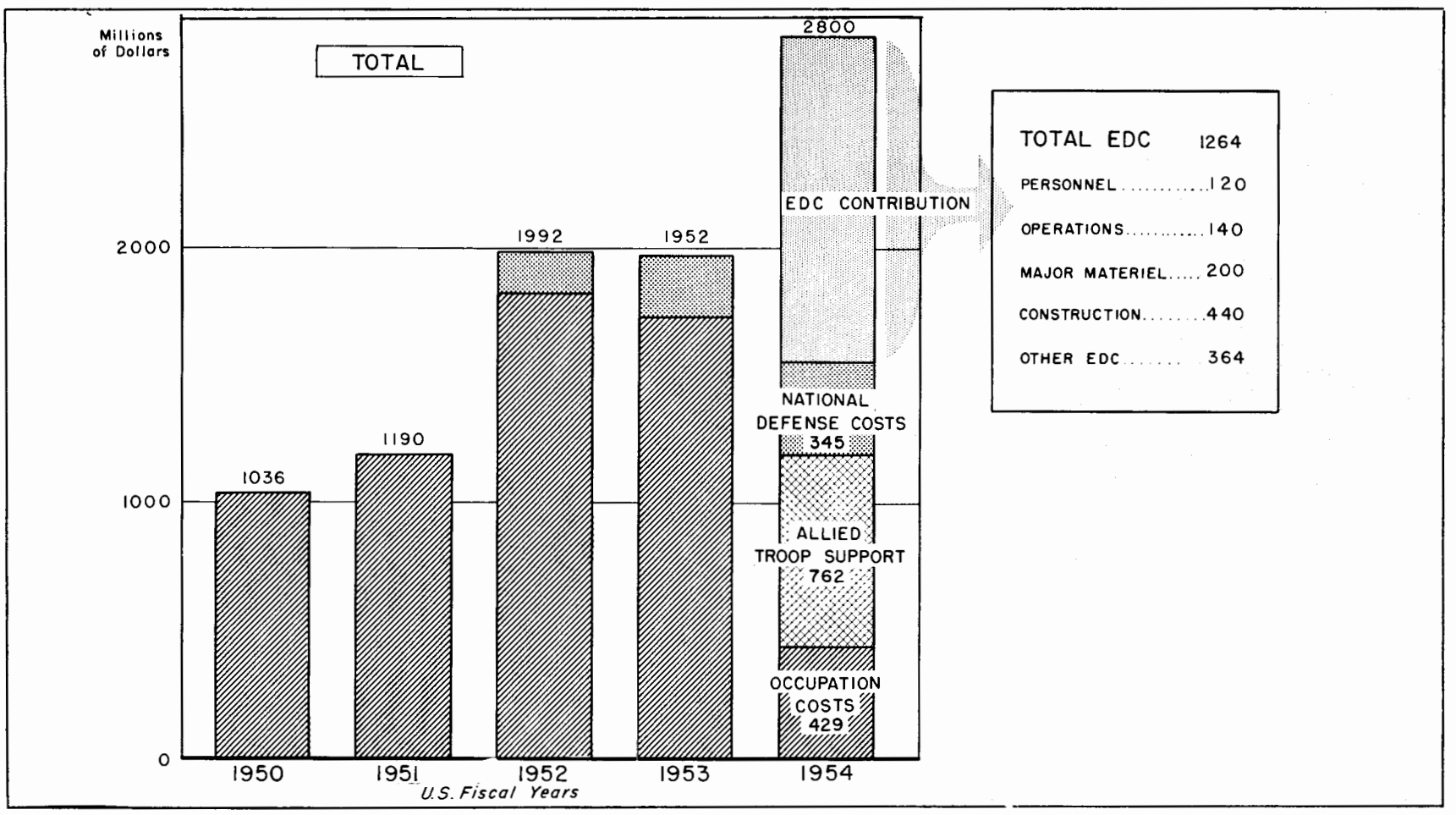
2. Assist in every way in increasing the number taken out of West Berlin.

3. Assist in integrating into West Berlin the hard core of refugees which must remain there.

The dollars are required to generate the local currency necessary to carry out this refugee program. The Federal Republic will use the dollars under normal MSA procedures for dollar imports.

The importance of U. S. aid for this purpose should be assessed in the light of recent developments in the light of recent developments in Eastern Germany. The example of West Berlin has done much to keep alive the spirit of freedom in East Germany.

Strengthened by U. S. aid, West Berlin has served as a constant reminder to the people of East Germany of the kind of life they could be leading were it not for the totalitarian government imposed upon them.



# GERMANY (FED. REP.)

AREA ● 94,739 square miles

POPULATION - Prewar 39,000,000, Jan. 1, 1953 48,730,000

## USE OF RESOURCES, (AT MARKET PRICES)

| (Millions of $ Equivalents) (In 1951/52 Prices) | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Gross National Product | 28,671 | 30,867 | 32,788 |
| Net Foreign Balance | +587 | +99 | -70 |
| Total Availabilities | 28,084 | 30,768 | 32,858 |
| Consumption - Amount | 16,350 | 18,040 | 18,920 |
| *Percent of GNP* | 57.0 | 58.4 | 57.7 |
| Gross Investment (Priv. and Gov't) - Amount | 7,040 | 7,814 | 7,986 |
| *Percent of GNP* | 24.6 | 25.3 | 24.4 |
| Government Services, Total | 4,694 | 4,914 | 5,952 |
| Non-Military | 2,702 | 2,962 | 3,152 |
| Military - Amount | 1,992 | 1,952 | 2,800 |
| *Percent of GNP* | 6.9 | 6.3 | 8.5 |

## INDEXES OF PRODUCTION

| | INDUSTRIAL (1948 = 100) | | AGRICULTURAL (Prewar = 100) |
|---|---|---|---|
| 1938 | 193 | Prewar | 100 |
| 1947 | 72 | 1947/48 | 73 |
| 1948 | 100 | 1948/49 | 84 |
| 1949 | 144 | 1949/50 | 97 |
| 1950 | 182 | 1950/51 | 108 |
| 1951 | 218 | 1951/52 | 112 |
| 1952 | 233 | 1952/53 | 115 |

## GOLD AND SHORT-TERM DOLLAR ASSETS ($ Millions)

| 1949 | 1950 | | 1951 | | 1952 | | 1953 |
|---|---|---|---|---|---|---|---|
| SEPT. | JUNE | DEC. | JUNE | DEC. | JUNE | DEC. | APR. |
| 148 | 228 | 222 | 357 | 434 | 545 | 691 | ~~811~~ |

## GOLD AND DOLLAR TRANSACTIONS (Millions of $ Equivalents)

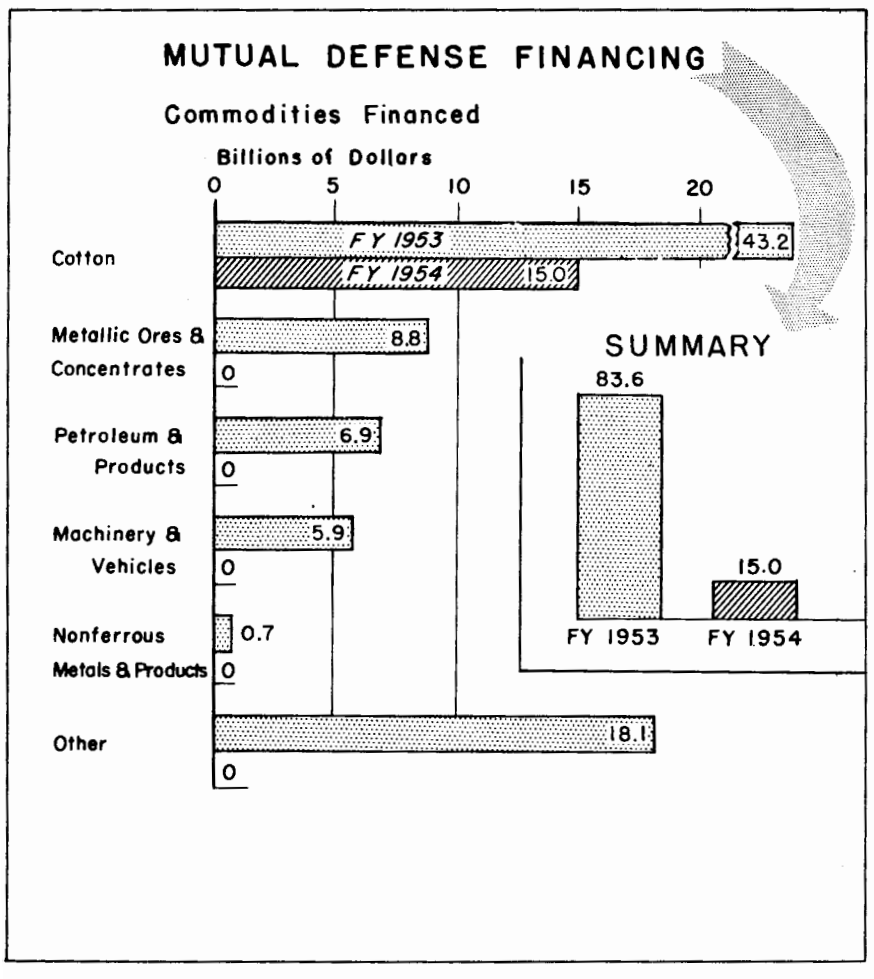
| | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Imports (f.o.b.) | 676.2 | 580.0 | 586.0 |
| Exports (f.o.b.) | 350.3 | 480.0 | 450.0 |
| U.S. Military Expenditures | 190.0 | 240.0 | 230.0 |
| Net Balance for Services | -106.5 | +1.0 | -1.0 |
| Net Balance Asso. Monetary Areas | - | - | - |
| Net Settlements | +181.5 | +215.0 | +50.0 |
| Net Capital Operations | +50.1 | -88.9 | -70.0 |
| BALANCE BEFORE MSP RECEIPTS | -10.8 | +267.1 | +73.0 |
| MUTUAL SECURITY PROGRAM RECEIPTS | | | |
| U.S. Offshore Procurement | 0 | 1.5 | 11.8 |
| Use of Pipeline ( + is use −is accumulation) | +41.3 | -1.6 | +68.0 |
| *MUTUAL DEFENSE FINANCING* | 106.0 | 83.6 | 15.0 |
| TOTAL MSP RECEIPTS | 147.3 | 83.5 | 94.8 |
| CHANGE IN RESERVES ( + is increase −is decrease) | +136.5 | +350.6 | +167.8 |

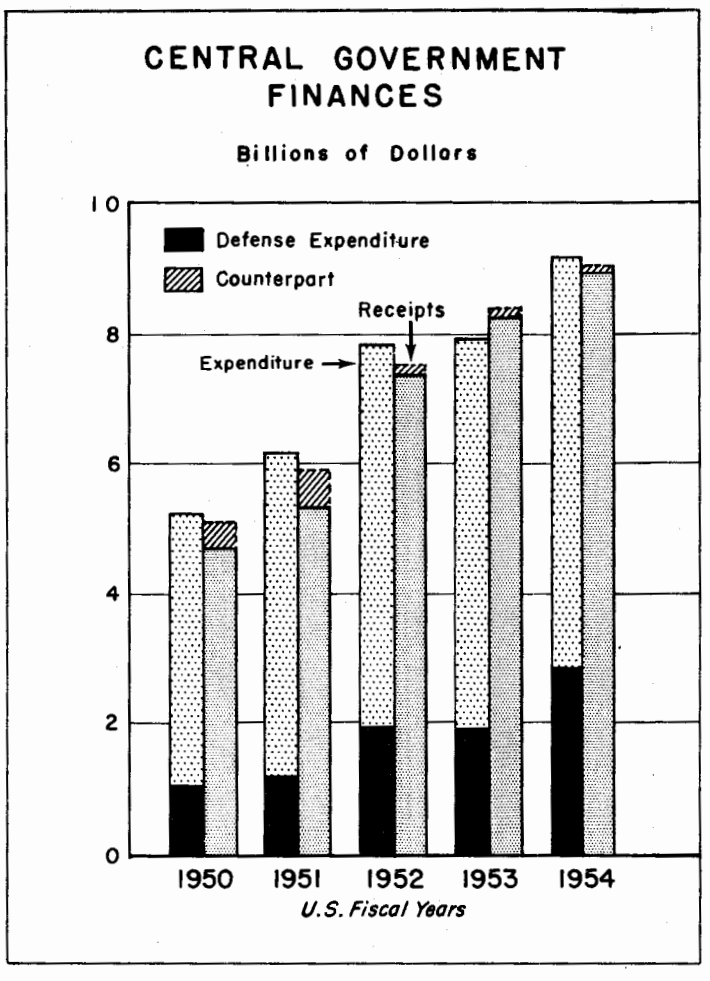
## GOVERNMENT FINANCES (Millions of $ Equivalents)

| CENTRAL GOVERNMENT | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| TOTAL REVENUES (incl. Counterpart) | 7,500 | 8,394 | 9,046 |
| Taxes and Other Revenues | 7,342 | 8,294 | 8,971 |
| Counterpart | 158 | 100 | 75 |
| TOTAL EXPENDITURES | 7,855 | 7,961 | 9,228 |
| Defense Expenditures | 1,992 | 1,952 | 2,800 |
| Other | 5,863 | 6,009 | 6,428 |
| DEFICIT OR SURPLUS | -355 | +433 | -182 |

| GROSS DEBT OF CENTRAL GOVERNMENT | 1951 | 1952 |
|---|---|---|
| Amount Outstanding as of Mar. 31 | 4,869 | 5,581 |
| *Percent of Gross National Product* | 22.8 | 20.8 |

| TAX RECEIPTS OF ALL LEVELS OF GOV'T | YEAR ENDING MAR. 31 1951 | 1952 | 1953 |
|---|---|---|---|
| Central Gov't (excl. Social Insurance) | 4,314 | 5,867 | 6,672 |
| Social Insurance | 1,860 | 2,217 | 2,506 |
| Regional and Local Governments | 694 | 931 | 1,014 |
| TOTAL TAXES | 6,868 | 9,015 | 10,192 |
| TOTAL TAXES AS A PERCENT OF GNP | 32.2 | 33.6 | 33.9 |



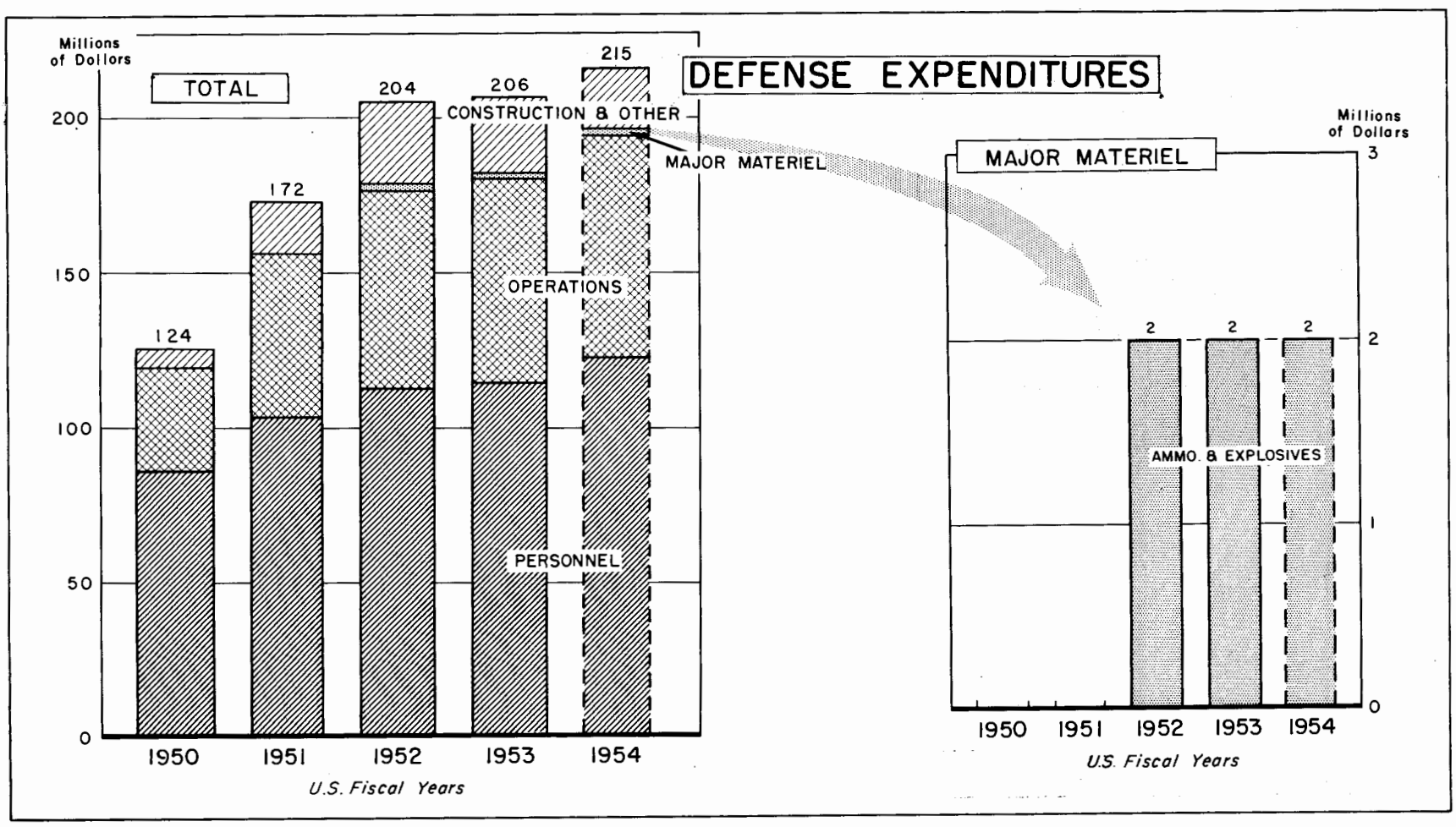



# GREECE

After a prolonged period of civil war, internal political strife and extreme economic disorganization, Greece has recently achieved both political and economic stability under the leadership of the conservative Greek Rally Party which, last November, gained the first stable majority in the postwar history of the Greek Parliament. Greek support of the western defense effort continues to be large in proportion to the population of the country, with ten divisions under arms, of which one is fighting in Korea, and defense expenditures for FY 1953 equal to $206 million, or 8.5 percent of the Greek national product. While Greek defense production is of necessity small, substantial sums are being expended on strategic highways, airfields and port facilities.

Defense support to Greece is being reduced from $179 million in FY 1952 and $80 million in FY 1953 to a proposed $20 million in FY 1954. Partly as a result of the heavy military expenditures being carried by the Greek government, this sharp reduction in aid has brought a great deal of pressure political as well as economic, to bear on the government's program, and any further reduction in the proposed level of aid for FY 1954 would unquestionably force the government to make concessions which would take the form of a reduction in the military effort and a relaxation of the vital stabilization program.

Of the proposed $20 million of aid in FY 1954, approximately: $14 million will be spent for food and fuel for the Greek Armed Forces and the civilian economy; $5 million for raw materials and machinery for power development, strategic roads, reclamation, irrigation and lignite production; $1 million for transportation costs.



# GREECE

AREA - 52,218 square miles

POPULATION - Prewar 7,202,000, Jan. 1, 1953 8,180,000

## USE OF RESOURCES, (AT MARKET PRICES)

| *(Millions of $ Equivalents)* | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| *(In 1951/52 Prices)* | | | |
| Gross National Product | 2,347 | 2,434 | 2,550 |
| Net Foreign Balance | -192 | -107 | -45 |
| Total Availabilities | 2,539 | 2,541 | 2,595 |
| Consumption - Amount | 1,809 | 1,870 | 1,906 |
| *Percent of GNP* | 77.1 | 76.8 | 74.7 |
| Gross Investment (Priv. and Gov't) - Amount | 344 | 280 | 300 |
| *Percent of GNP* | 14.7 | 11.5 | 11.8 |
| Government Services, Total | 386 | 391 | 389 |
| Non-Military | 182 | 185 | 174 |
| Military - Amount | 204 | 206 | 215 |
| *Percent of GNP* | 8.7 | 8.5 | 8.4 |

## INDEXES OF PRODUCTION

| | INDUSTRIAL *(1948 = 100)* | | AGRICULTURAL *(Prewar = 100)* |
|---|---|---|---|
| 1938 | 132 | Prewar | 100 |
| 1947 | 98 | 1947/48 | 85 |
| 1948 | 100 | 1948/49 | 82 |
| 1949 | 119 | 1949/50 | 106 |
| 1950 | 150 | 1950/51 | 92 |
| 1951 | 172 | 1951/52 | 107 |
| 1952 | 171 | 1952/53 | 102 |

## GOLD AND SHORT-TERM DOLLAR ASSETS *($ Millions)*

| 1949 | 1950 | | 1951 | | 1952 | | 1953 |
|---|---|---|---|---|---|---|---|
| SEPT. | JUNE | DEC. | JUNE | DEC. | JUNE | DEC. | APR. |
| 30 | 44 | 36 | 44 | 49 | 51 | 57 | 72 |

## GOLD AND DOLLAR TRANSACTIONS *(Millions of $ Equivalents)*

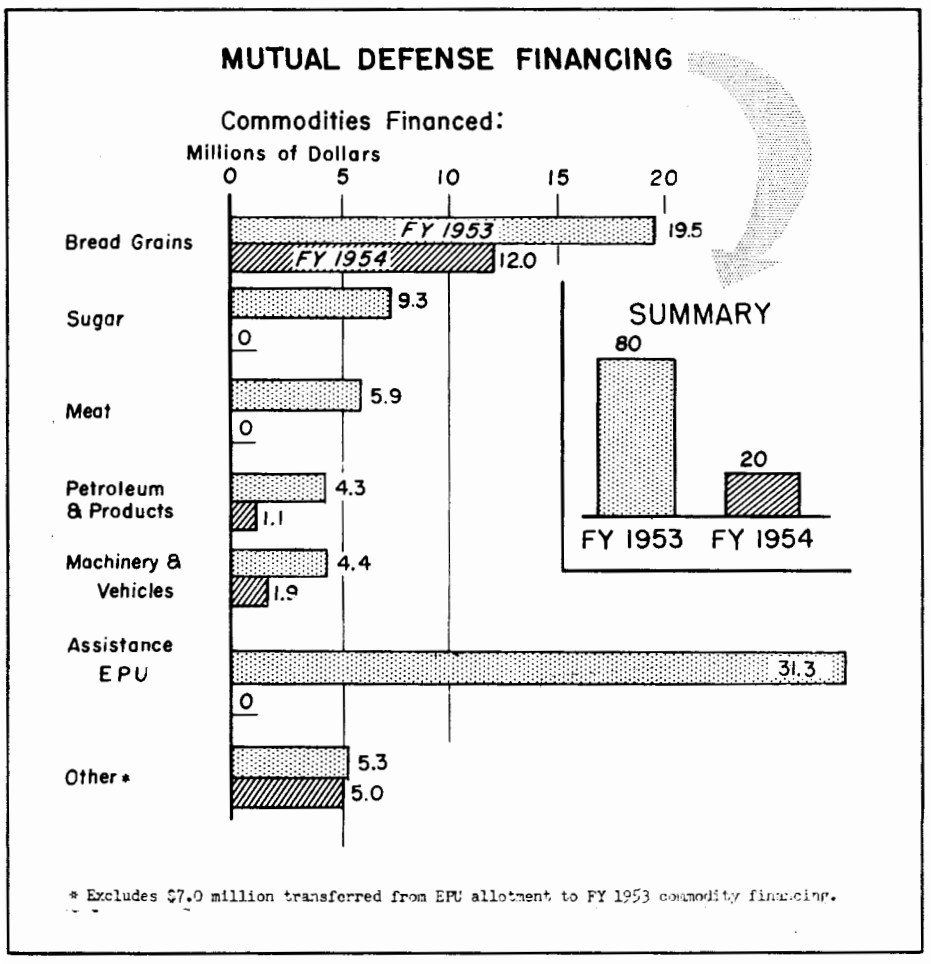
| | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Imports (f.o.b.) | 93.8 | 62.5 | 60.0 |
| Exports (f.o.b.) | 17.7 | 21.0 | 23.0 |
| U.S. Military Expenditures | - | - | - |
| Net Balance for Services | -0.5 | +12.9 | +8.1 |
| Net Balance Asso. Monetary Areas | - | - | - |
| Net Settlements | -83.2 | -30.0 | -20.0 |
| Net Capital Operations | -30.3 | -3.0 | -1.5 |
| BALANCE BEFORE MSP RECEIPTS | -190.1 | -61.6 | -50.4 |
| MUTUAL SECURITY PROGRAM RECEIPTS | | | |
| U.S. Offshore Procurement | 0 | 0.1 | 12.4 |
| Use of Pipeline | +18.1 | +6.0 | +25.0 |
| *( + is use −is accumulation)* | | | |
| *MUTUAL DEFENSE FINANCING* | 179.0 | 80.0 | 20.0 |
| TOTAL MSP RECEIPTS | 197.1 | 86.1 | 57.4 |
| CHANGE IN RESERVES | +7.0 | +24.5 | +7.0 |
| *( + is increase −is decrease)* | | | |

## GOVERNMENT FINANCES *(Millions of $ Equivalents)*

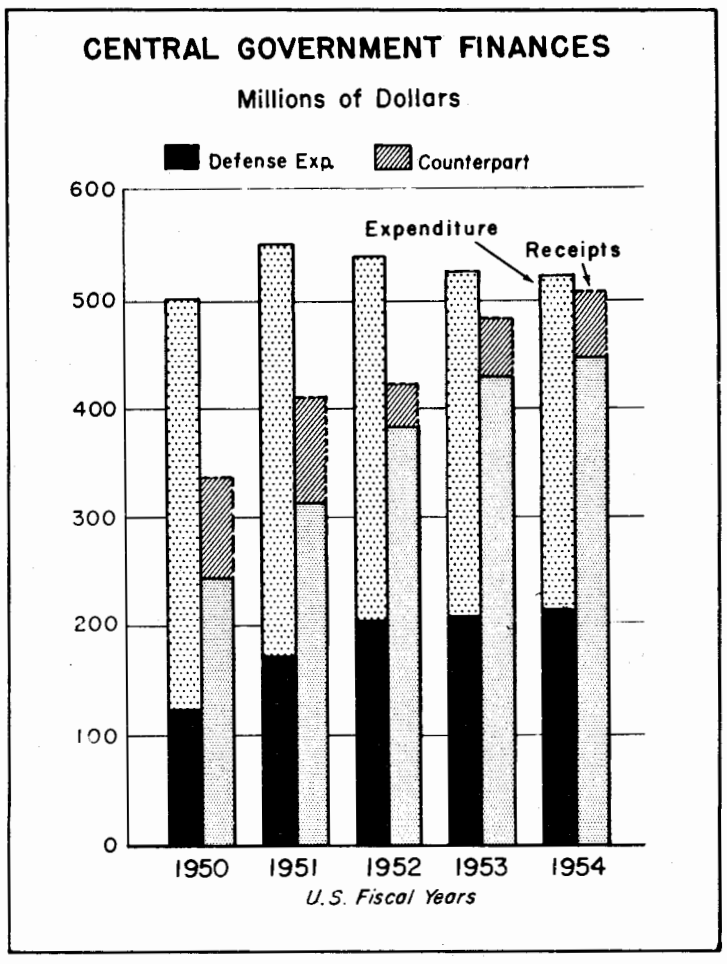
| CENTRAL GOVERNMENT | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| TOTAL REVENUES (incl.Counterpart) | 424 | 485 | 510 |
| Taxes and Other Revenues | 384 | 430 | 450 |
| Counterpart | 40 | 55 | 60 |
| TOTAL EXPENDITURES | 541 | 528 | 525 |
| Defense Expenditures | 204 | 206 | 215 |
| Other | 337 | 322 | 310 |
| DEFICIT OR SURPLUS | -117 | -43 | -15 |

| GROSS DEBT OF CENTRAL GOVERNMENT | 1951 | 1952 | 1953 |
|---|---|---|---|
| Amount Outstanding as of June 30. | 393 | 510 | 507 |
| *Percent of Gross National Product* | 18.3 | 21.7 | 20.6 |

| TAX RECEIPTS OF ALL LEVELS OF GOV'T | YEAR ENDING DEC. 31 1950 | 1951 | 1952 |
|---|---|---|---|
| Central Gov't (excl.Social Insurance) | 254 | 306 | 342 |
| Social Insurance | 63 | 77 | 82 |
| Regional and Local Governments | 22 | 27 | 30 |
| TOTAL TAXES | 339 | 410 | 454 |
| TOTAL TAXES AS A PERCENT OF GNP | 17.2 | 17.7 | 19.1 |




* Excludes $7.0 million transferred from EPU allotment to FY 1953 commodity financing.



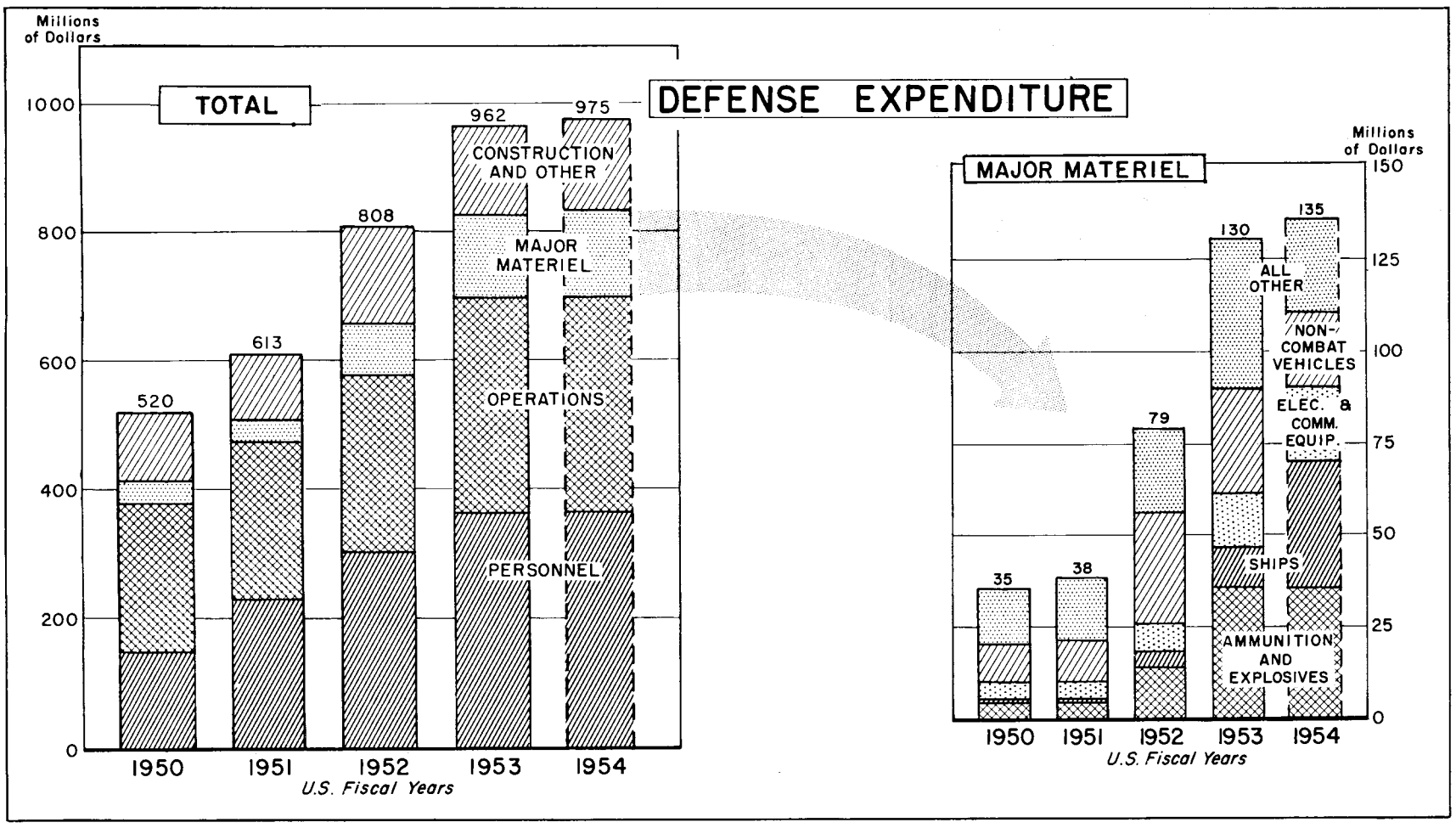
# ITALY

The program for Italy is in two parts:

1. $37.5 million for production of aircraft for NATO countries. This amount, originally programmed in FY 1953, will be used to finance production of all-weather aircraft in Italy to equip Italian and other NATO air forces. This production has already been initiated through the letting of contracts for an initial 50 aircraft to be assembled in Italy. To complete this program and produce a substantial number of additional aircraft, the $37.5 million will be supplemented by offshore procurement from funds contained in the MDAP for FY 1954, and procurement by the Italian Government and some other European NATO countries.

Although some portion of these $37.5 million will be required for tooling up costs preliminary to actual production, it is intended that the largest possible portion will be handled through direct procurement contracts.

2. $20 million for development in southern Italy. Although defense support to Italy has been sharply reduced in the FY 1954 program, some continued assistance to the economic development of southern Italy is seriously needed to improve the economic health of that area as a basis for a greater measure of political stability and reduced political extremism. U.S. aid has already helped to formulate a major program in southern Italy; these additional funds are required to speed development in both agriculture and industry. A major objective of the program is to overcome obstacles to greater participation by private enterprise in this development program.



# ITALY

AREA - 116,224 square miles

POPULATION
Prewar (incl. Trieste) 42,976,000, Jan. 1, 1953 47,360,000
Prewar (excl. Trieste) 42,696,000. Jan. 1, 1953 47,064,000

## USE OF RESOURCES, (AT MARKET PRICES)

| (Millions of $ Equivalents) (In 1951/52 Prices) | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Gross National Product | 15,980 | 16,500 | 17,250 |
| Net Foreign Balance | -160 | -410 | -195 |
| Total Availabilities | 16,140 | 16,910 | 17,445 |
| Consumption - Amount | 11,200 | 11,535 | 11,850 |
| *Percent of GNP* | 70.1 | 69.9 | 68.7 |
| Gross Investment (Priv. and Gov't) - Amount | 3,260 | 3,500 | 3,645 |
| *Percent of GNP* | 20.4 | 21.2 | 21.1 |
| Government Services, Total | 1,680 | 1,875 | 1,950 |
| Non-Military | 872 | 913 | 975 |
| Military - Amount | 808 | 962 | 975 |
| *Percent of GNP* | 5.1 | 5.8 | 5.7 |

## INDEXES OF PRODUCTION

| | INDUSTRIAL (1948 = 100) | | AGRICULTURAL (Prewar = 100) |
|---|---|---|---|
| 1938 | 100 | Prewar | 100 |
| 1947 | - | 1947/48 | 92 |
| 1948 | 100 | 1948/49 | 98 |
| 1949 | 110 | 1949/50 | 106 |
| 1950 | 127 | 1950/51 | 109 |
| 1951 | 144 | 1951/52 | 116 |
| 1952 | 146 | 1952/53 | 115 |

## GOLD AND SHORT-TERM DOLLAR ASSETS ($ Millions)*

| 1949 | 1950 | | 1951 | | 1952 | | 1953 |
|---|---|---|---|---|---|---|---|
| SEPT. | JUNE | DEC. | JUNE | DEC. | JUNE | DEC. | APR. |
| 542 | 543 | 577 | 538 | 641 | 621 | 661 | ~~669~~ |

* Includes Trieste.

## GOLD AND DOLLAR TRANSACTIONS (Millions of $ Equivalents)

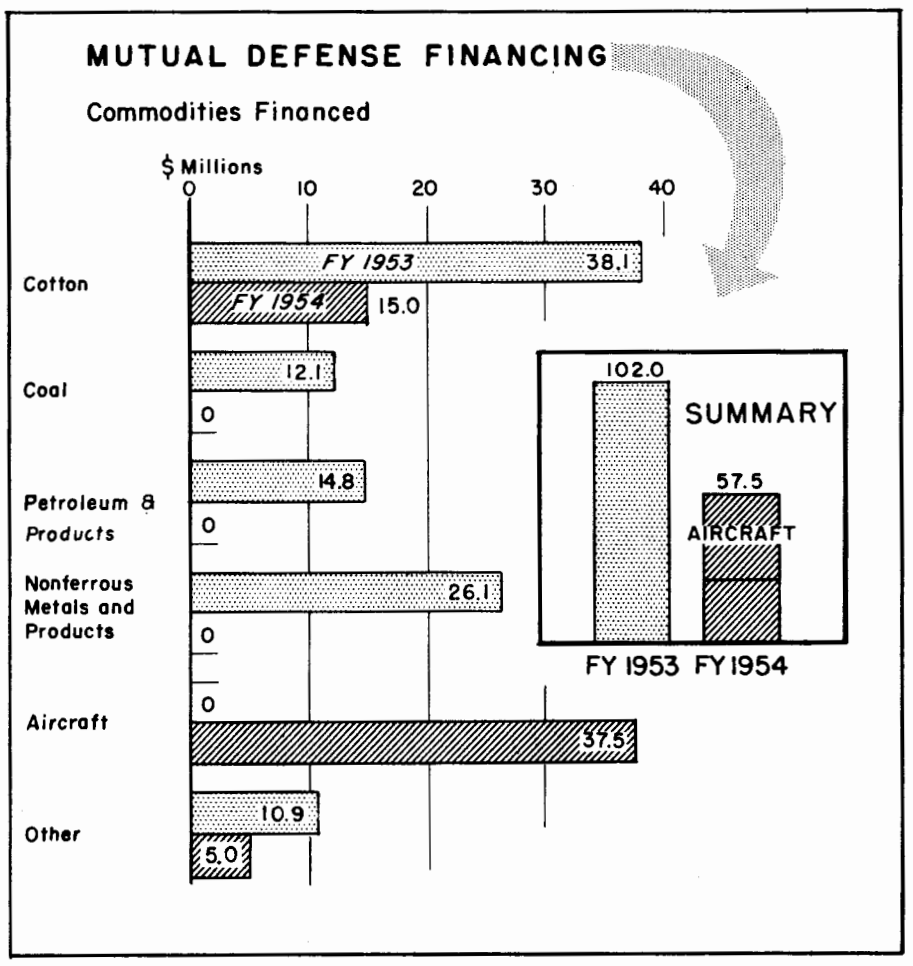
| | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Imports (f.o.b.) | 665.0 | 590.0 | 585.0 |
| Exports (f.o.b.) | 270.0 | 280.0 | 265.0 |
| U.S. Military Expenditures | 29.1 | 40.8 | 53.5 |
| Net Balance for Services | +17.3 | +59.9 | +50.6 |
| Net Balance Asso. Monetary Areas | - | - | - |
| Net Settlements | +162.8 | -34.4 | -16.1 |
| Net Capital Operations | +52.6 | +51.1 | -11.8 |
| BALANCE BEFORE MSP RECEIPTS | -133.2 | -192.6 | -243.8 |
| MUTUAL SECURITY PROGRAM RECEIPTS | | | |
| U.S. Offshore Procurement | 0 | 11.0 | 155.5 |
| Use of Pipeline (+ is use -is accumulation) | +53.7 | +99.6 | +27.5 |
| MUTUAL DEFENSE FINANCING | 162.5 | 102.0 | 57.5 |
| TOTAL MSP RECEIPTS | 216.2 | 212.6 | 240.5 |
| CHANGE IN RESERVES (+ is increase -is decrease) | +83.0 | +20.0 | -3.3 |

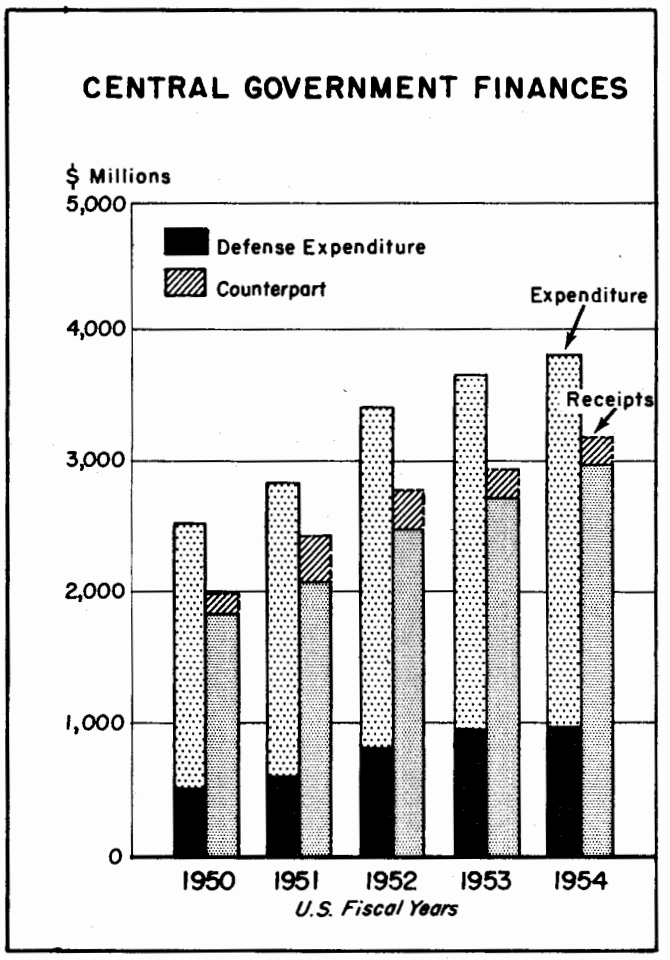
## GOVERNMENT FINANCES (Millions of $ Equivalents)

| CENTRAL GOVERNMENT | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| TOTAL REVENUES (incl. Counterpart) | 2,790 | 2,920 | 3,175 |
| Taxes and Other Revenues | 2,465 | 2,720 | 2,975 |
| Counterpart | 325 | 200 | 200 |
| TOTAL EXPENDITURES | 3,400 | 3,650 | 3,800 |
| Defense Expenditures | 808 | 962 | 975 |
| Other | 2,592 | 2,688 | 2,825 |
| DEFICIT OR SURPLUS | -610 | -730 | -625 |

| GROSS DEBT OF CENTRAL GOVERNMENT | 1951 | 1952 |
|---|---|---|
| Amount Outstanding as of June 30 | 5,246 | 5,880 |
| *Percent of Gross National Product* | 36.2 | 36.8 |

| TAX RECEIPTS OF ALL LEVELS OF GOV'T | FY ENDING JUNE 30 1951 | 1952 | 1953 |
|---|---|---|---|
| Central Gov't (excl. Social Insurance) | 1,930 | 2,283 | 2,417 |
| Social Insurance | 800 | 864 | 896 |
| Regional and Local Governments | 501 | 528 | 544 |
| TOTAL TAXES | 3,231 | 3,675 | 3,857 |
| TOTAL TAXES AS A PERCENT OF GNP | 22.1 | 23.4 | 23.9 |

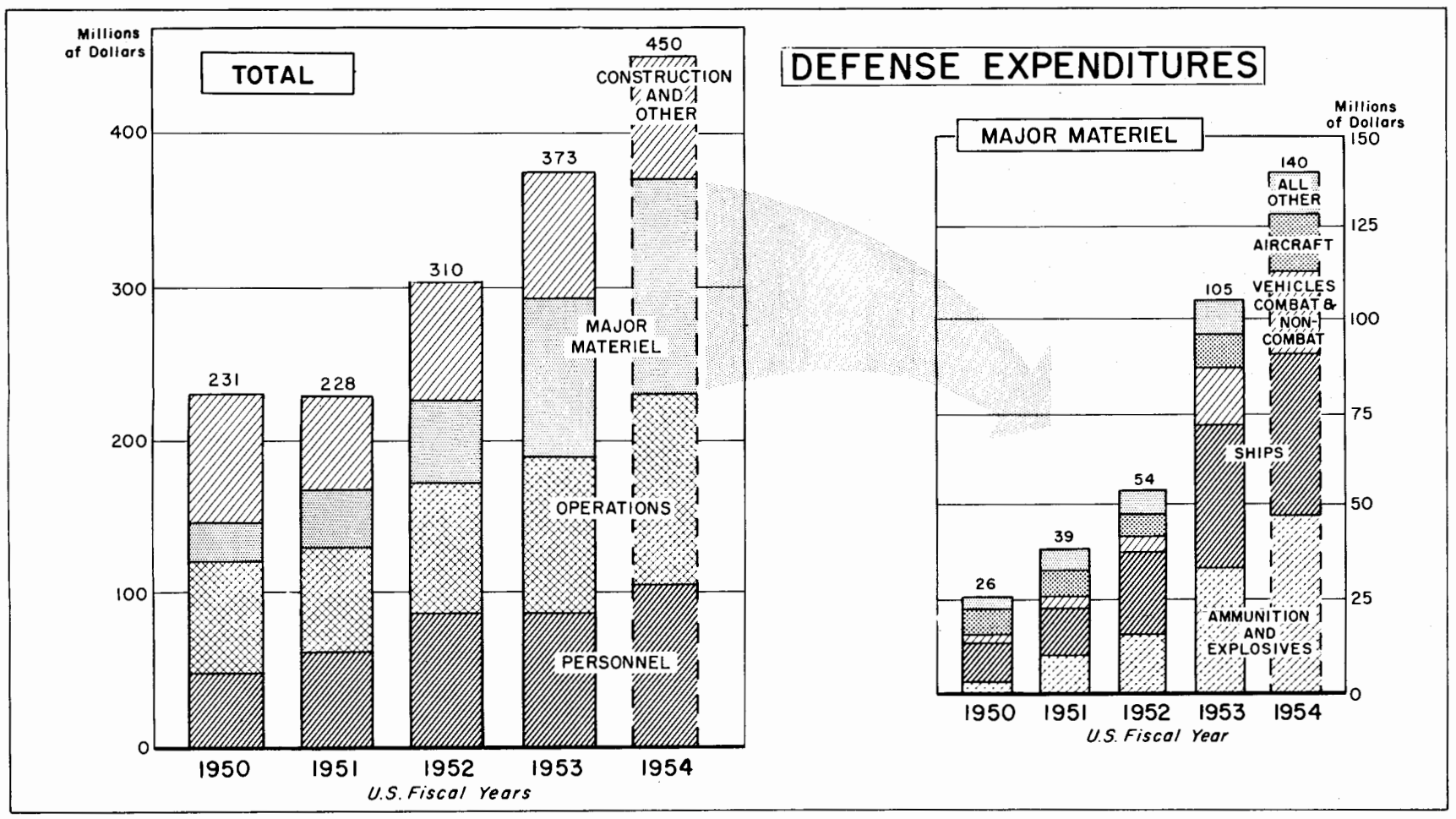


# NETHERLANDS

The slow process of reconstruction and recovery started by the Dutch after the war was accelerated and in a large part made possible by the introduction of U.S. economic aid in 1948. Almost all aspects of the economy showed uninterrupted improvement until the start of the Korean War. However, the post-Korean inflation, though providing a stimulus to production and employment, wrecked whatever financial stability the economy had achieved. Drastic deflationary action was taken by the government in 1951, and with the help of U.S. aid, not only was a defense program started during this period, but inflationary pressures were brought under control. Favorable economic developments in the Netherlands during 1952 allowed the Dutch to announce last January that mutual defense financing would not be needed in the 1953 fiscal year. Although the February flood required relatively large reconstruction expenditures, the defense program and the economic progress made under the past aid programs can be maintained without additional direct aid.

The ability of the Dutch to fulfill their goals for the defense program, flood reconstruction and economic stability in a period of no direct aid will receive support from the increase of extraordinary dollar receipts for production under the OSP program, and sales of goods and services to the U.S. military forces in Europe. In FY 1953, these receipts amounted to $33 million, while in FY 1954 an increase to $63 million is expected. Thus, such receipts will help the Dutch to meet the still large dollar needs of the economy, and simultaneously in the case of OSP make a desirable contribution to European defense production.



# NETHERLANDS

AREA - 13,025 square miles

POPULATION - Prewar 8,684,000, Jan. 1, 1953 10,440,000

## USE OF RESOURCES, (AT MARKET PRICES)

| (Millions of $ Equivalents) | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Gross National Product | 5,824 | 6,005 | 6,201 |
| Net Foreign Balance | +428 | +447 | +317 |
| Total Availabilities | 5,396 | 5,558 | 5,884 |
| Consumption - Amount | 3,487 | 3,553 | 3,651 |
| *Percent of GNP* | 59.9 | 59.2 | 58.9 |
| Gross Investment (Priv. and Gov't) - Amount | 1,036 | 1,066 | 1,215 |
| *Percent of GNP* | 17.8 | 17.8 | 19.6 |
| Government Services, Total | 873 | 939 | 1,018 |
| Non-Military | 563 | 566 | 568 |
| Military - Amount | 310 | 373 | 450 |
| *Percent of GNP* | 5.3 | 6.2 | 7.3 |

## INDEXES OF PRODUCTION

| | INDUSTRIAL (1948 = 100) | | AGRICULTURAL (Prewar = 100) |
|---|---|---|---|
| 1938 | 88 | Prewar | 100 |
| 1947 | 83 | 1947/48 | 73 |
| 1948 | 100 | 1948/49 | 91 |
| 1949 | 112 | 1949/50 | 108 |
| 1950 | 123 | 1950/51 | 113 |
| 1951 | 129 | 1951/52 | 112 |
| 1952 | 130 | 1952/53 | 115 |

## GOLD AND SHORT-TERM DOLLAR ASSETS ($ Millions) a/

| 1949 | 1950 | | 1951 | | 1952 | | 1953 |
|---|---|---|---|---|---|---|---|
| SEPT. | JUNE | DEC. | JUNE | DEC. | JUNE | DEC. | MAY |
| 328 | 457 | 505 | 446 | 465 | 547 | 747 | 837 |

a/ Exclusive of gold holdings not publicly reported.

## GOLD AND DOLLAR TRANSACTIONS (Millions of $ Equivalents)

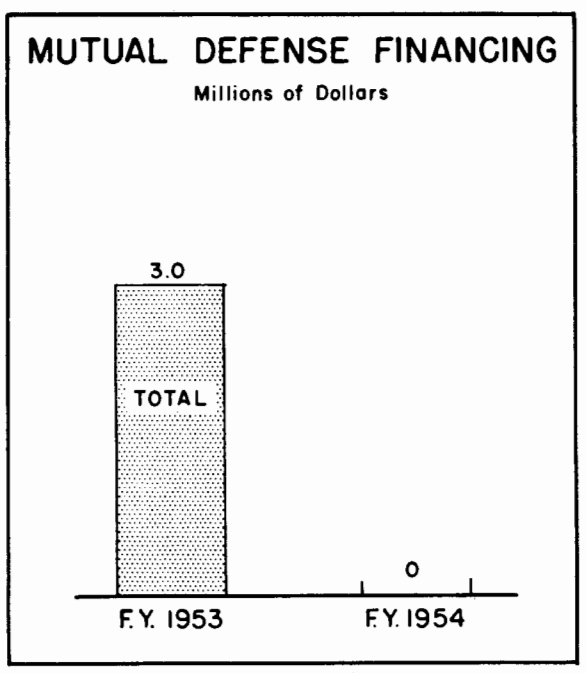
| | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Imports (f.o.b.) | 348.0 | 310.0 | 301.0 |
| Exports (f.o.b.) | 136.0 | 165.0 | 167.0 |
| U.S. Military Expenditures | 15.5 | 24.9 | 31.6 |
| Net Balance for Services | +52.5 | +92.1 | +65.4 |
| Net Balance Asso. Monetary Areas | - | - | - |
| Net Settlements | +157.5 | +280.0 | +112.0 |
| Net Capital Operations | -19.6 | -61.1 | -14.6 |
| BALANCE BEFORE MSP RECEIPTS | -6.1 | +190.9 | +60.4 |
| MUTUAL SECURITY PROGRAM RECEIPTS | | | |
| U.S. Offshore Procurement | 0 | 8.5 | 31.2 |
| Use of Pipeline ( + is use -is accumulation) | +5.1 | +45.6 | +25.8 |
| *MUTUAL DEFENSE FINANCING* | 100.0 | 3.0 | 0 |
| TOTAL MSP RECEIPTS | 105.1 | 57.1 | 57.0 |
| CHANGE IN RESERVES ( + is increase -is decrease) | +99.0 | +248.0 | +117.4 |

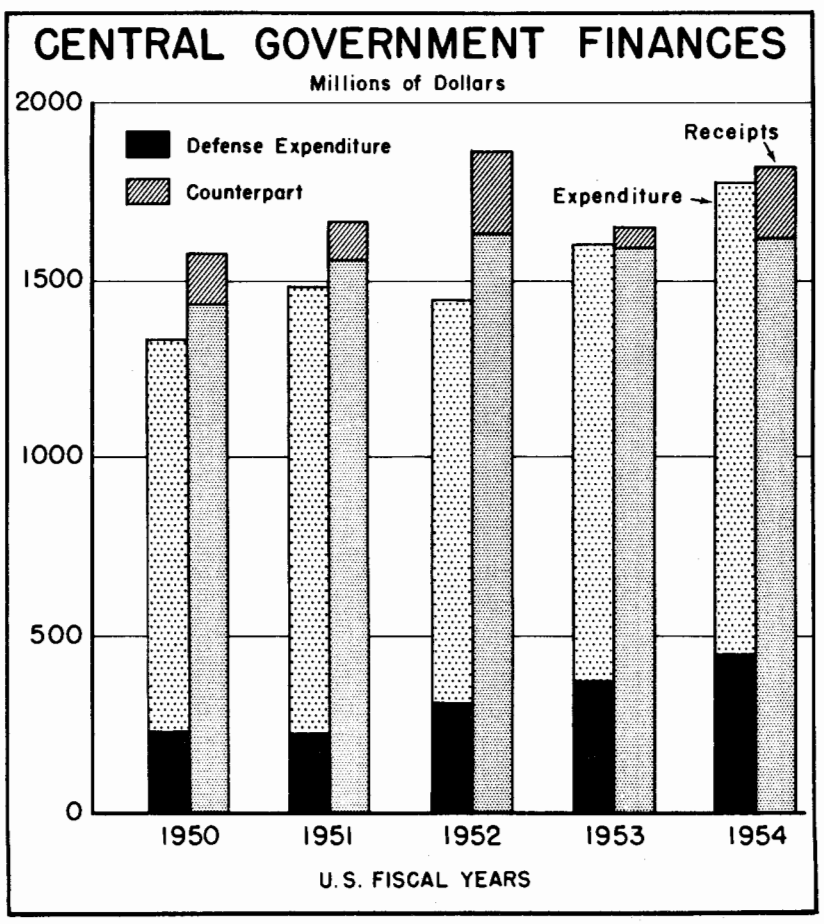
## GOVERNMENT FINANCES (Millions of $ Equivalents)

| CENTRAL GOVERNMENT | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| TOTAL REVENUES (incl.Counterpart) | 1,869 | 1,660 | 1,817 |
| Taxes and Other Revenues | 1,634 | 1,655 | 1,620 |
| Counterpart | 235 | 5 | 197 |
| TOTAL EXPENDITURES | 1,448 | 1,602 | 1,777 |
| Defense Expenditures | 310 | 373 | 450 |
| Other | 1,138 | 1,229 | 1,327 |
| DEFICIT OR SURPLUS | +421 | +58 | +40 |

| GROSS DEBT OF CENTRAL GOVERNMENT | 1950 | 1951 | 1952 |
|---|---|---|---|
| Amount Outstanding as of Dec. 31 | 6,721 | 6,476 | 6,236 |
| *Percent of Gross National Product* | 130.2 | 113.5 | 106.0 |

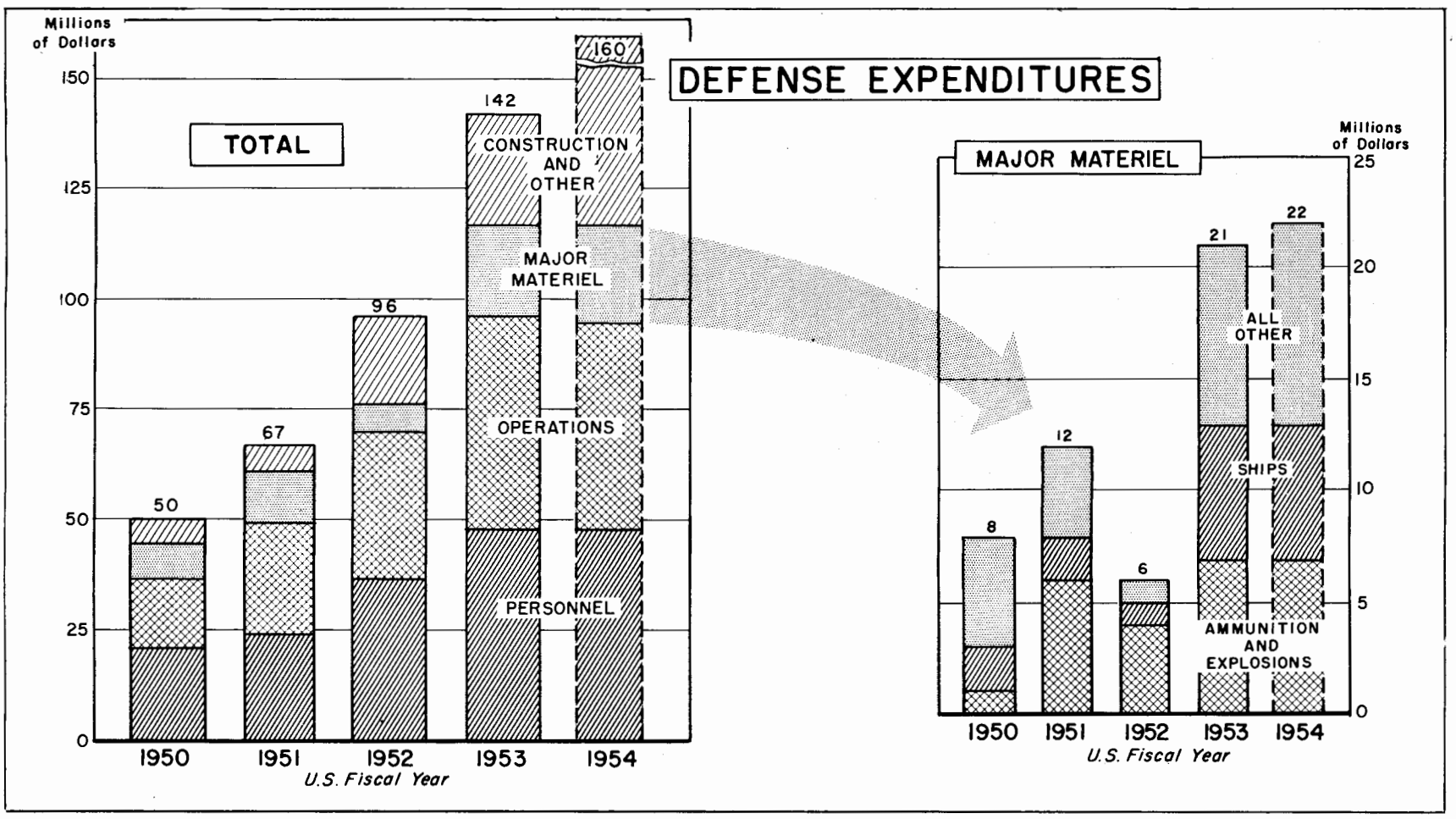
| TAX RECEIPTS OF ALL LEVELS OF GOV'T | FY ENDING DEC. 31 1950 | 1951 | 1952 |
|---|---|---|---|
| Central Gov't (excl.Social Insurance) | 1,303 | 1,395 | 1,488 |
| Social Insurance | 189 | 232 | 248 |
| Regional and Local Governments | 138 | 127 | 84 |
| TOTAL TAXES | 1,630 | 1,754 | 1,820 |
| TOTAL TAXES AS A PERCENT OF GNP | 31.6 | 30.7 | 31.0 |



# NORWAY

With the aid of the Marshall Plan and of MSA Defense Support Aid, Norway has not only reconstructed its war-destroyed plant and equipment, but has increased its merchant fleet tonnage by one-third, production in industry by over 50 percent, and agriculture by about 15 percent over prewar. A further indication of Norway's recovery is its increased holdings of gold and short-term dollar assets which were approximately $170 million in May 1953 as compared with $110 million in June 1951. The value of Norway's exports in 1952, on which the economy depends, was about 96 percent higher than in 1948. Because of these favorable economic developments and a higher standard of living, Norway, with MSA aid, was able to introduce an ambitious defense program, as part of the overall NATO effort, involving expenditures in 1953 of 5 percent of gross national product.



# NORWAY

AREA - 129,043 square miles

POPULATION - Prewar 2,936,000, Jan. 1, 1953 3,316,000

## USE OF RESOURCES, (AT MARKET PRICES)

| (Millions of $ Equivalents) | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Gross National Product | 2,320 | 2,357 | 2,890 |
| Net Foreign Balance | +94 | -28 | -46 |
| Total Availabilities | 2,726 | 2,885 | 2,936 |
| Consumption - Amount | 1,680 | 1,753 | 1,776 |
| *Percent of GNP* | 59.6 | 61.4 | 61.5 |
| Gross Investment (Priv. and Gov't) - Amount | 770 | 785 | 795 |
| *Percent of GNP* | 27.3 | 27.5 | 27.5 |
| Government Services, Total | 276 | 347 | 365 |
| Non-Military | 180 | 205 | 205 |
| Military - Amount | 96 | 142 | 160 |
| *Percent of GNP* | 3.4 | 5.0 | 5.5 |

## INDEXES OF PRODUCTION

| | INDUSTRIAL (1948 = 100) | | AGRICULTURAL (Prewar = 100) |
|---|---|---|---|
| 1938 | 80 | Prewar | 100 |
| 1947 | 92 | 1947/48 | 93 |
| 1948 | 100 | 1948/49 | 102 |
| 1949 | 108 | 1949/50 | 111 |
| 1950 | 117 | 1950/51 | 116 |
| 1951 | 123 | 1951/52 | 115 |
| 1952 | 123 | 1952/53 | 114 |

## GOLD AND SHORT-TERM DOLLAR ASSETS ($ Millions)

| 1949 | 1950 | | 1951 | | 1952 | | 1953 |
|---|---|---|---|---|---|---|---|
| SEPT. | JUNE | DEC. | JUNE | DEC. | JUNE | DEC. | APR. |
| 112 | 117 | 94 | 110 | 150 | 145 | 160 | 172 |

## GOLD AND DOLLAR TRANSACTIONS (Millions of $ Equivalents)

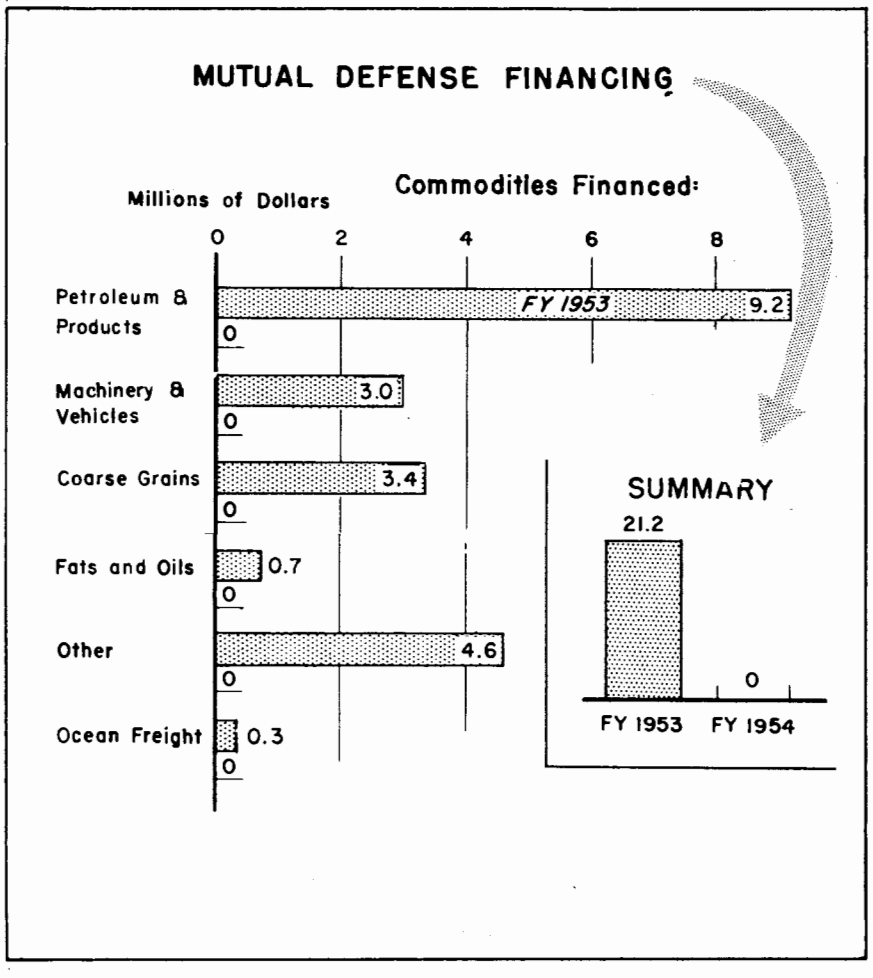
| | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Imports (f.o.b.) | 155.4 | 132.5 | 130.0 |
| Exports (f.o.b.) | 89.7 | 78.5 | 81.5 |
| U.S. Military Expenditures | 0.7 | 8.5 | 14.2 |
| Net Balance for Services | +70.3 | +52.0 | +58.8 |
| Net Balance Asso. Monetary Areas | - | - | - |
| Net Settlements | 0 | -8.3 | -25.9 |
| Net Capital Operations | -2.3 | +10.1 | -15.9 |
| BALANCE BEFORE MSP RECEIPTS | +3.0 | +8.3 | -17.3 |
| MUTUAL SECURITY PROGRAM RECEIPTS | | | |
| U.S. Offshore Procurement | 0 | 1.4 | 5.2 |
| Use of Pipeline (+ is use -is accumulation) | +15.2 | -4.4 | +26.7 |
| *MUTUAL DEFENSE FINANCING* | 16.8 | 21.2 | 0 |
| TOTAL MSP RECEIPTS | 32.0 | 18.2 | 31.9 |
| CHANGE IN RESERVES (+ is increase -is decrease) | +35.0 | +26.5 | +14.6 |

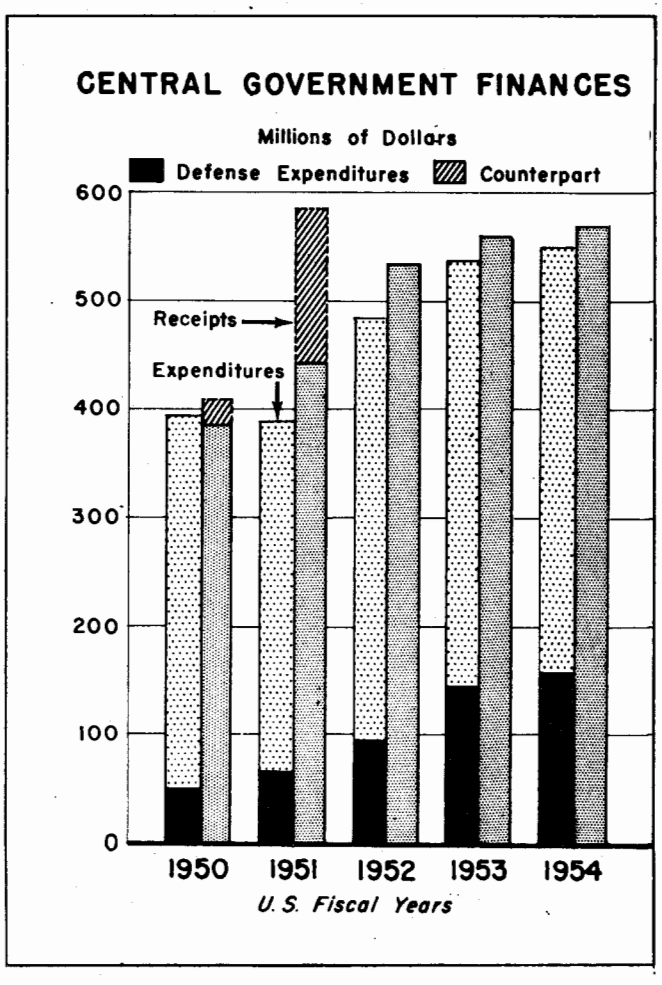
## GOVERNMENT FINANCES (Millions of $ Equivalents)

| CENTRAL GOVERNMENT | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| TOTAL REVENUES (incl. Counterpart) | 535 | 560 | 570 |
| Taxes and Other Revenues | 535 | 560 | 570 |
| Counterpart | - | - | - |
| TOTAL EXPENDITURES | 484 | 536 | 551 |
| Defense Expenditures | 96 | 142 | 160 |
| Other | 388 | 394 | 391 |
| DEFICIT OR SURPLUS | +51 | +24 | +19 |

| GROSS DEBT OF CENTRAL GOVERNMENT | 1951 | 1952 | 1953 |
|---|---|---|---|
| Amount Outstanding as of June 30 | 1,593 | 1,592 | 1,484 |
| *Percent of Gross National Product* | 65.2 | 56.5 | 50.7 |

| TAX RECEIPTS OF ALL LEVELS OF GOV'T | YEAR ENDING DEC. 31 1950 | 1951 | 1952 |
|---|---|---|---|
| Central Gov't (excl. Social Insurance) | 382 | 500 | 555 |
| Social Insurance | 42 | 43 | 47 |
| Regional and Local Governments | 173 | 189 | 210 |
| TOTAL TAXES | 597 | 732 | 812 |
| TOTAL TAXES AS A PERCENT OF GNP | 27.1 | 27.2 | 27.9 |

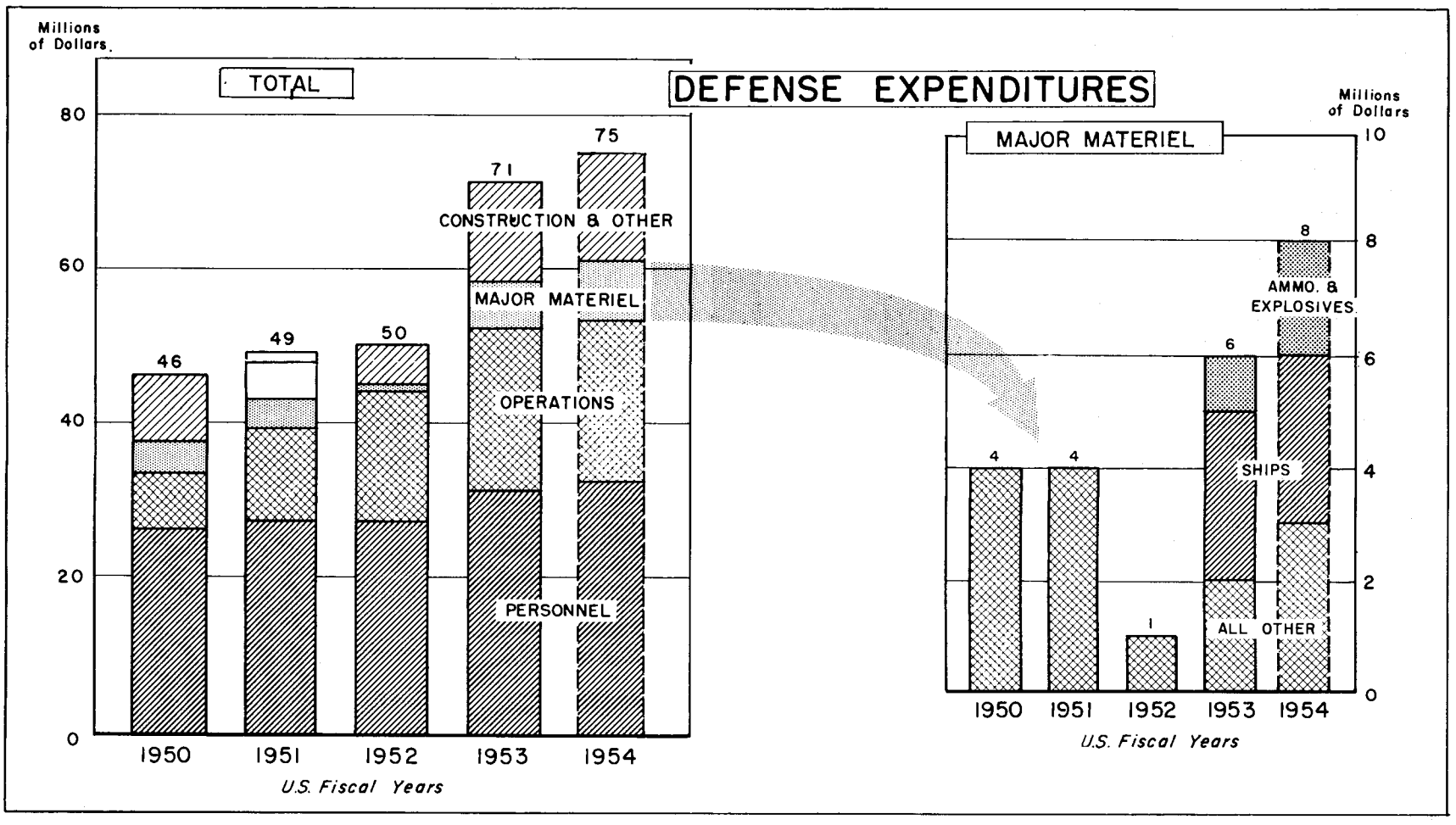


# PORTUGAL

Portugal is a NATO member providing important military bases and limited armed forces for the defense of the North Atlantic area. It possesses extensive African colonies which are capable of producing greatly increased supplies of basic materials; some U.S. aid may be required to accelerate the development of this production.

Defense support aid to Portugal is unnecessary because Portugal's gold and dollar reserves are high and rising, and its internal economy is stable. The main reasons for this favorable situation are that Portugal's financial program is extremely conservative and that its exports of basic foods and raw materials, both from the mainland and the territories, yield relatively large dollar earnings. Conservative financial policies are possible for Portugal because its public investment program is modest, and because it has undertaken a relatively light defense burden requiring less than 5 percent of its gross national product. Some dollar earnings are accruing as a result of U.S. military expenditures and offshore procurement, but these are not of critical importance to Portugal's economy.



# PORTUGAL

AREA - 35,414 square miles

POPULATION - Prewar 7,506,000, Jan. 1, 1953 8,609,000

## USE OF RESOURCES, (AT MARKET PRICES)

| (Millions of $ Equivalents) | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Gross National Product | 1,410 | 1,428 | 1,488 |
| Net Foreign Balance | -13 | -17 | -17 |
| Total Availabilities | 1,423 | 1,445 | 1,505 |
| Consumption - Amount | 1,085 | 1,074 | 1,124 |
| *Percent of GNP* | 77.0 | 75.2 | 75.5 |
| Gross Investment (Priv. and Gov't) - Amount | 197 | 205 | 203 |
| *Percent of GNP* | 14.0 | 14.4 | 13.6 |
| Government Services, Total | 141 | 166 | 178 |
| Non-Military | 91 | 95 | 103 |
| Military - Amount | 50 | 71 | 75 |
| *Percent of GNP* | 3.5 | 5.0 | 5.0 |

## INDEXES OF PRODUCTION

| INDUSTRIAL (1948 = 100) | | AGRICULTURAL (Prewar = 100) | |
|---|---|---|---|
| 1938 | - | Prewar | 100 |
| 1947 | - | 1947/48 | 111 |
| 1948 | - | 1948/49 | 103 |
| 1949 | - | 1949/50 | 107 |
| 1950 | - | 1950/51 | 114 |
| 1951 | - | 1951/52 | 123 |
| 1952 | - | 1952/53 | 109 |

## GOLD AND SHORT-TERM DOLLAR ASSETS ($ Millions) a/

| 1949 | 1950 | | 1951 | | 1952 | | 1953 |
|---|---|---|---|---|---|---|---|
| SEPT. | JUNE | DEC. | JUNE | DEC. | JUNE | DEC. | APR. |
| 232 | 228 | 257 | 283 | 331 | 340 | 373 | 397 |

a/ Includes overseas territories.

## GOLD AND DOLLAR TRANSACTIONS (Millions of $ Equivalents)

| | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Imports (f.o.b.) | 77.7 | 68.5 | 69.0 |
| Exports (f.o.b.) | 57.1 | 58.2 | 59.9 |
| U.S. Military Expenditures | 3.6 | 3.5 | 7.6 |
| Net Balance for Services | +1.7 | +2.9 | +3.1 |
| Net Balance Asso. Monetary Areas | +8.7 | +40.8 | +8.6 |
| Net Settlements | +34.5 | +10.7 | +17.3 |
| Net Capital Operations | +19.5 | +8.0 | +16.9 |
| BALANCE BEFORE MSP RECEIPTS | +47.4 | +55.6 | +44.4 |
| MUTUAL SECURITY PROGRAM RECEIPTS | | | |
| U.S. Offshore Procurement | 0 | 0 | 1.0 |
| Use of Pipeline | +9.6 | +4.4 | +3.9 |
| *( + is use —is accumulation)* | | | |
| *MUTUAL DEFENSE FINANCING* | 0 | 0 | 0 |
| TOTAL MSP RECEIPTS | 9.6 | 4.4 | 4.9 |
| CHANGE IN RESERVES | +57.0 | +60.0 | +49.3 |
| *( + is increase —is decrease)* | | | |

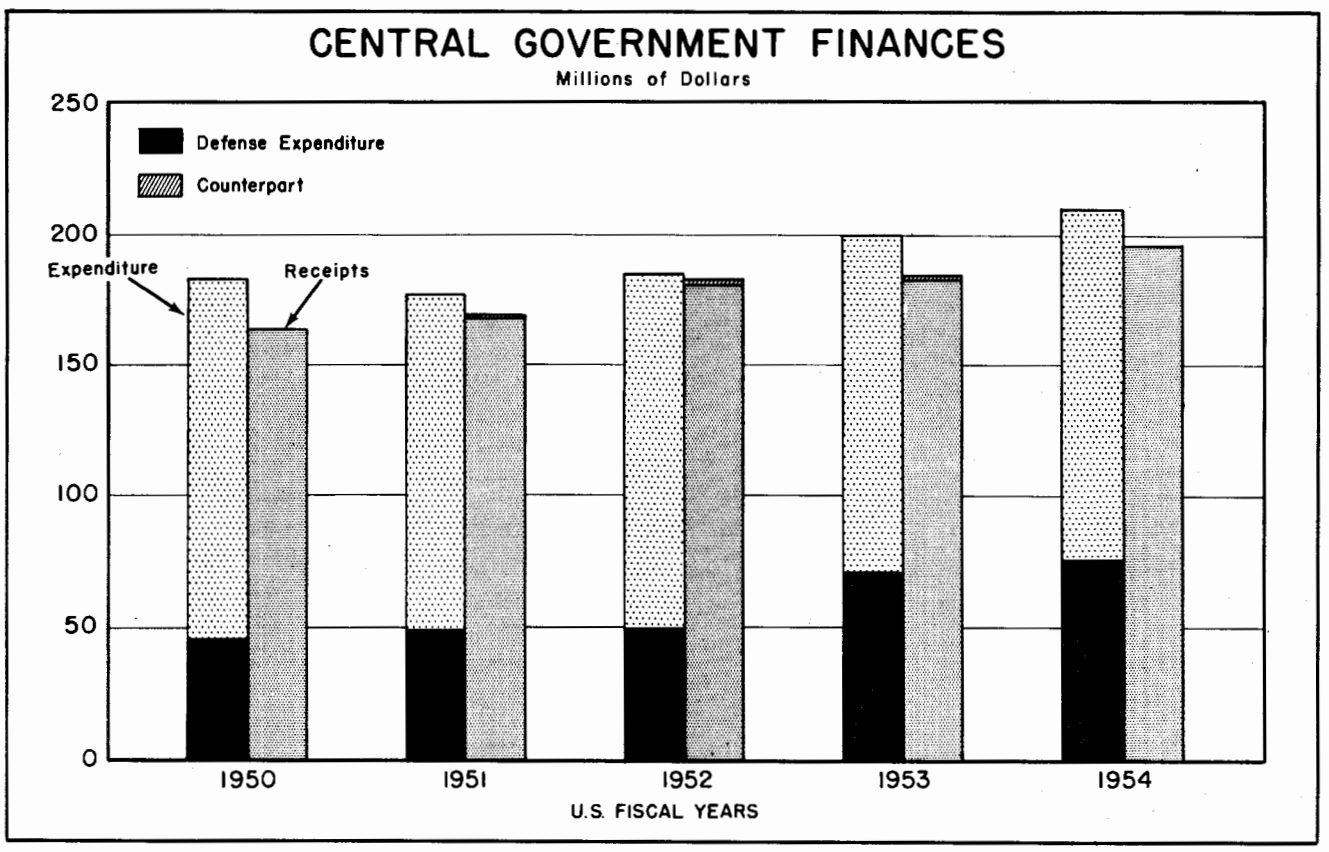
## GOVERNMENT FINANCES (Millions of $ Equivalents)

| CENTRAL GOVERNMENT | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| TOTAL REVENUES (incl. Counterpart) | 183 | 184 | 196 |
| Taxes and Other Revenues | 181 | 183 | 196 |
| Counterpart | 2 | 1 | - |
| TOTAL EXPENDITURES | 185 | 200 | 210 |
| Defense Expenditures | 50 | 71 | 75 |
| Other | 135 | 129 | 135 |
| DEFICIT OR SURPLUS | -2 | -16 | -14 |

| GROSS DEBT OF CENTRAL GOVERNMENT | 1950 | 1951 | 1952 |
|---|---|---|---|
| Amount Outstanding as of Dec. 31 | 372 | 405 | 434 |
| *Percent of Gross National Product* | 28.7 | 29.6 | 30.1 |

| TAX RECEIPTS OF ALL LEVELS OF GOV'T | FY ENDING DEC. 31 1951 | 1952 | 1953 |
|---|---|---|---|
| Central Gov't (excl. Social Insurance) | 137 | 152 | 162 |
| Social Insurance | 40 | 41 | 43 |
| Regional and Local Governments | 42 | 45 | 43 |
| TOTAL TAXES | 219 | 238 | 248 |
| TOTAL TAXES AS A PERCENT OF GNP | 16.9 | 17.4 | 17.2 |

NO MUTUAL DEFENSE FINANCING FOR FY 1953 AND 1954



# TURKEY

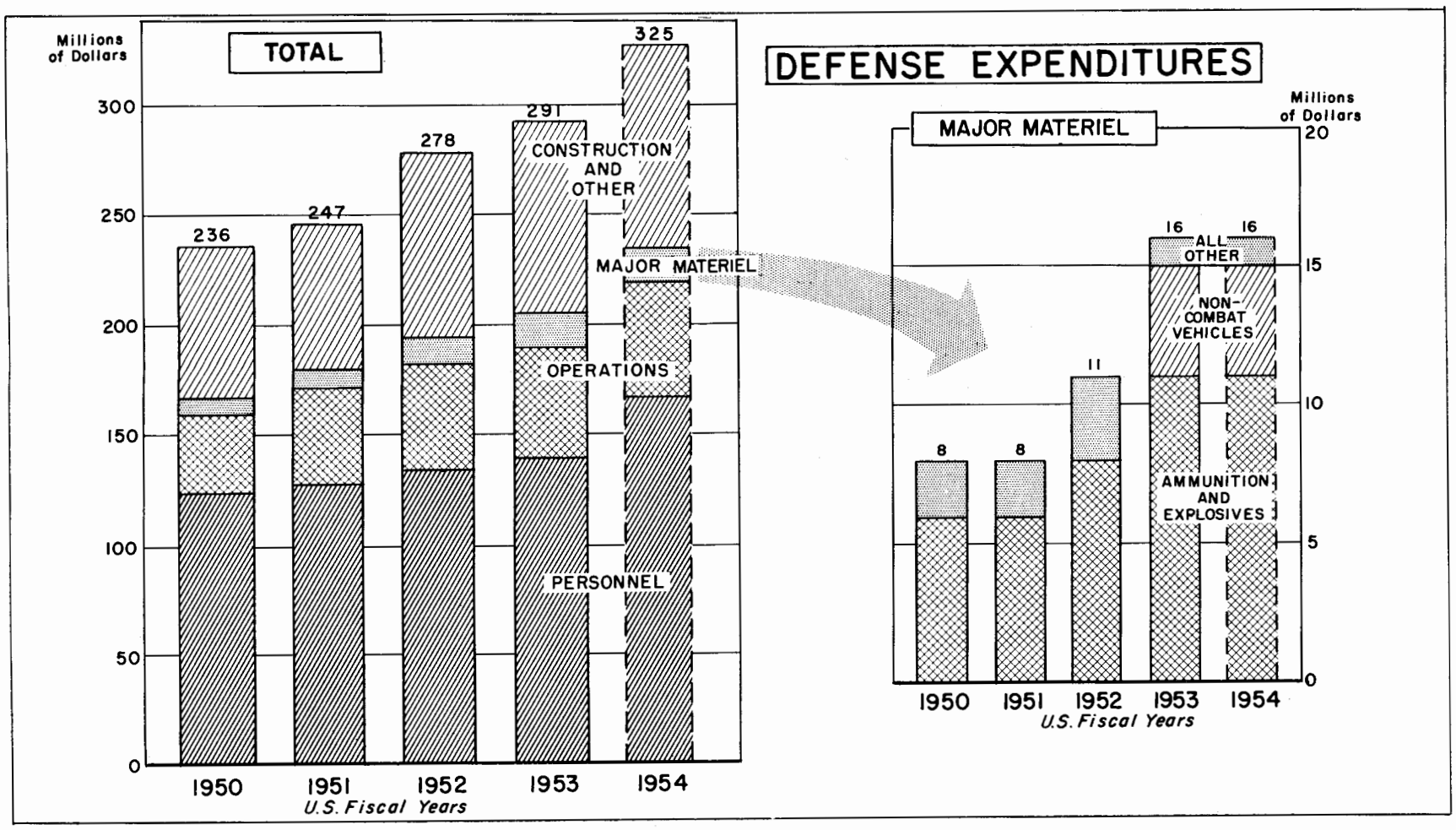
Turkey's principal contribution to the defense of the Free World is a large military force of proven fighting ability. A substantial portion of the budget every year since the war has been devoted to the maintenance and operation of this force. The Turkish defense budget, however, must continue to expand for some years to come to accomplish agreed military force goals. The counterpart funds generated by defense support aid will be essential to finance that portion of the military budget which the Turkish Government is not able to finance from its own resources at the present time.

Turkey's ability to devote larger financial resources to the defense budget and to ultimately cover the full budget without extraordinary assistance depends upon the continued development of its economic potential. The imports financed by the defense support program for Turkey will support critical segments of this economic development program and allow for some improvement in the very low standard of living. The $50 million of defense support funds programmed for FY 1954 will be used for the following purposes:

$24 million Equipment and technical "know-how" for the improvement of railways, highways and ports.

$14 million Military operating supplies and services including jet fuel and jet overhaul.

$12 million Machinery for industrial development and requisites for the production and processing of agricultural commodities for export.



# TURKEY

AREA - 296,185 square miles

POPULATION - Prewar 17,119,000, Jan. 1, 1953 21,983,000

## USE OF RESOURCES, (AT MARKET PRICES)

| (Millions of $ Equivalents) (In 1951/52 Prices) | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Gross National Product | 4,106 | 4,493 | 4,852 |
| Net Foreign Balance | -150 | -161 | -100 |
| Total Availabilities | 4,256 | 4,654 | 4,952 |
| Consumption - Amount | 3,013 | 3,257 | 3,419 |
| *Percent of GNP* | 73.4 | 72.5 | 70.5 |
| Gross Investment (Priv. and Gov't) - Amount | 506 | 625 | 708 |
| *Percent of GNP* | 12.3 | 13.9 | 14.6 |
| Government Services, Total | 737 | 772 | 825 |
| Non-Military | 459 | 481 | 500 |
| Military - Amount | 278 | 291 | 325 |
| *Percent of GNP* | 6.8 | 6.5 | 6.7 |

## INDEXES OF PRODUCTION

| | INDUSTRIAL (1948 = 100) | | AGRICULTURAL (Prewar = 100) |
|---|---|---|---|
| 1938 | 63 | Prewar | 100 |
| 1947 | 97 | 1947/48 | 100 |
| 1948 | 100 | 1948/49 | 121 |
| 1949 | 105 | 1949/50 | 109 |
| 1950 | 108 | 1950/51 | 122 |
| 1951 | 113 | 1951/52 | 148 |
| 1952 | 131 | 1952/53 | 150 |

## GOLD AND SHORT-TERM DOLLAR ASSETS ($ Millions)

| 1949 | 1950 | | 1951 | | 1952 | | 1953 |
|---|---|---|---|---|---|---|---|
| SEPT. | JUNE | DEC. | JUNE | DEC. | JUNE | DEC. | APR. |
| 174 | 162 | 164 | 162 | 165 | 171 | 151 | ~~152~~ |

## GOLD AND DOLLAR TRANSACTIONS (Millions of $ Equivalents)

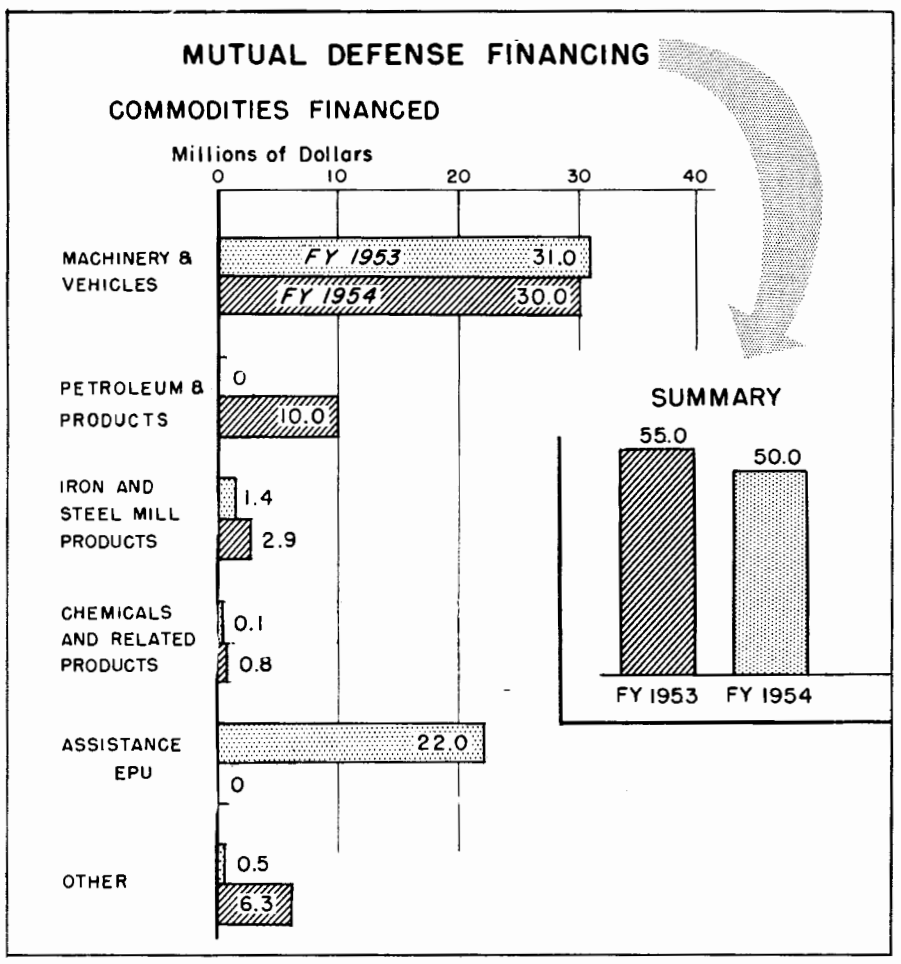
| | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Imports (f.o.b.) | 59.4 | 66.0 | 77.0 |
| Exports (f.o.b.) | 55.5 | 65.2 | 65.0 |
| U.S. Military Expenditures | 4.2 | 3.6 | 6.9 |
| Net Balance for Services | -11.1 | -16.8 | -19.3 |
| Net Balance Asso. Monetary Areas | - | - | - |
| Net Settlements | -95.2 | -50.0 | -47.0 |
| Net Capital Operations | +29.6 | -1.0 | +6.6 |
| BALANCE BEFORE MSP RECEIPTS | -76.4 | -65.0 | -64.8 |
| MUTUAL SECURITY PROGRAM RECEIPTS | | | |
| U.S. Offshore Procurement | 0 | 0 | 1.0 |
| Use of Pipeline | +15.4 | +1.0 | +13.8 |
| *( + is use —is accumulation)* | | | |
| *MUTUAL DEFENSE FINANCING* | 70.0 | 55.0 | 50.0 |
| TOTAL MSP RECEIPTS | 85.4 | 56.0 | 64.8 |
| CHANGE IN RESERVES | +9.0 | -9.0 | 0 |
| *( + is increase —is decrease)* | | | |

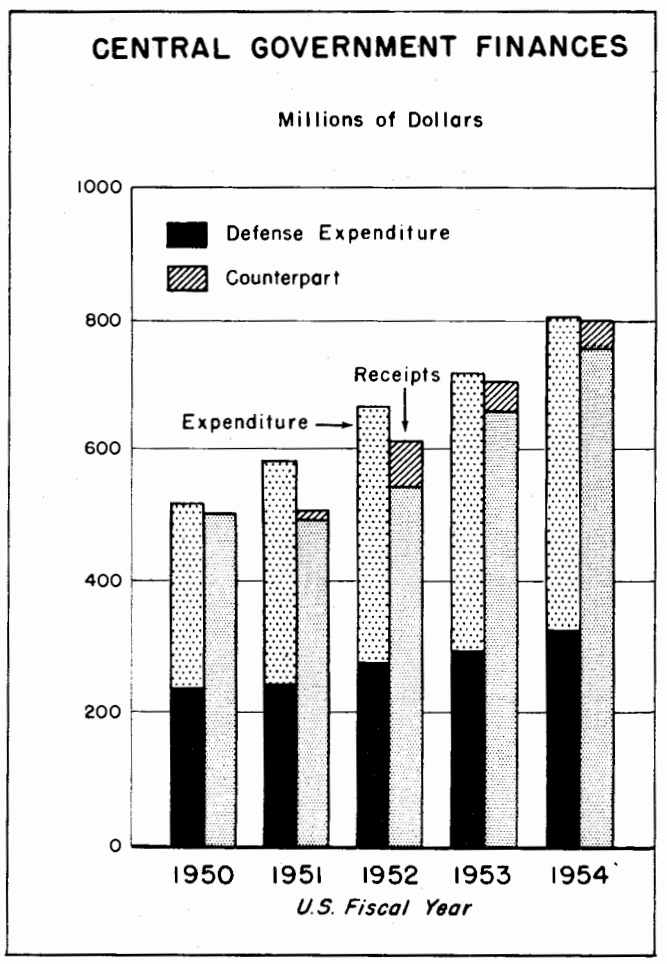
## GOVERNMENT FINANCES (Millions of $ Equivalents)

| CENTRAL GOVERNMENT | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| TOTAL REVENUES (incl. Counterpart) | 614 | 703 | 805 |
| Taxes and Other Revenues | 542 | 659 | 755 |
| Counterpart | 72 | 44 | 50 |
| TOTAL EXPENDITURES | 666 | 714 | 808 |
| Defense Expenditures | 278 | 291 | 325 |
| Other | 388 | 423 | 483 |
| DEFICIT OR SURPLUS | -52 | -11 | -3 |

| GROSS DEBT OF CENTRAL GOVERNMENT | 1950 | 1951 | 1952 |
|---|---|---|---|
| Amount Outstanding as of Dec. 31 | 908 | 952 | 1,000 |
| *Percent of Gross National Product* | 26.9 | 24.5 | 22.7 |

| TAX RECEIPTS OF ALL LEVELS OF GOV'T | FY ENDING February 28 1951 | 1952 | 1953 |
|---|---|---|---|
| Central Gov't (excl. Social Insurance) | 438 | 448 | 500 |
| Social Insurance | 35 | 35 | 35 |
| Regional and Local Governments | 83 | 85 | 104 |
| TOTAL TAXES | 556 | 568 | 639 |
| TOTAL TAXES AS A PERCENT OF GNP | 16.4 | 14.6 | 14.5 |



# UNITED KINGDOM

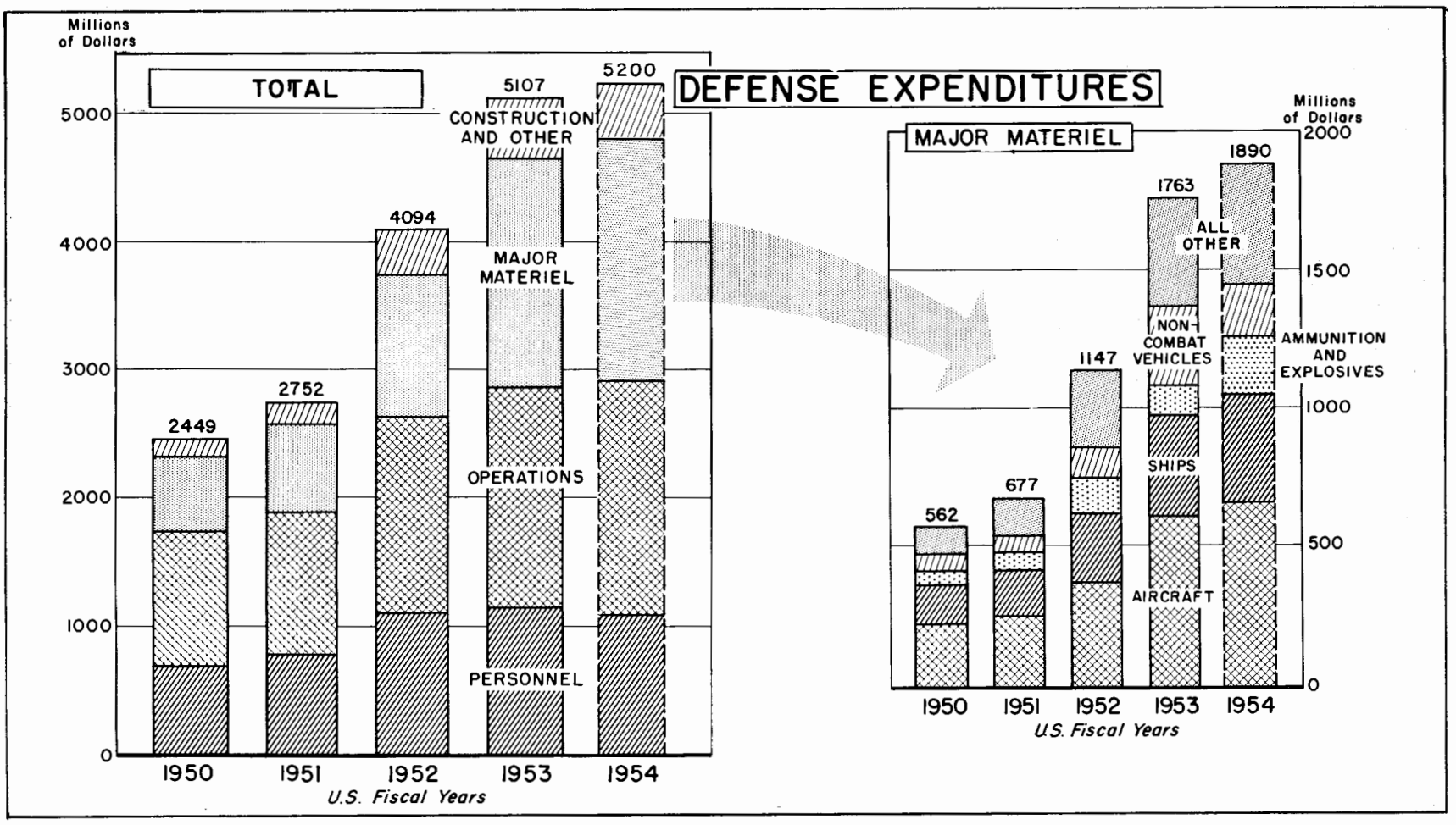
The British defense effort of $5.2 billion, the second largest in the Free World, is of crucial importance to the security of the Free World. With a far smaller per capita gross national product, the U. K. is devoting almost the same proportion of it to defense as is the United States. British commitments are world-wide. In addition to NATO they cover the Middle East, Africa and Asia. Of particular importance to the Free World is the very large production from British plants of light and heavy military equipment such as tanks and jet aircraft and artillery.

The British economy, unlike the U.S., is heavily dependent upon imports. In order to utilize the full capacity of the U. K. for the production of military equipment, it is necessary to supplement the resources available to the U. K. The program for the U. K. will provide a total of $200 million to finance essential imports.

This $200 million will be administered in two distinct forms. One half of it will be used to finance directly the production in Britain of an advanced type of jet aircraft for use by the Royal Air Force in defense of the North Atlantic area. The other $100 million will take the form of commodity import financing and will bring U. S. surplus products into effective use in augmenting the supply to the U. K. of essential agricultural products.

Both parts of the program will contribute to the resources available to Britain, since the dollar proceeds of the aircraft financing program will be available to cover needed imports. These two forms of aid represent a balance between the importance of focusing our aid as much as possible directly on defense production and the opportunity to match certain surplus U. S. commodities with British import requirements.

The British program also relies on dollar earnings under the offshore procurement program and utilization of the pipeline of previously granted aid in order to secure enough earnings to pay for necessary dollar imports.



# UNITED KINGDOM

AREA - 94,208 square miles

POPULATION - Prewar 47,494,000, Jan. 1, 1953 50,903,000

## USE OF RESOURCES, (AT MARKET PRICES)

| (Millions of $ Equivalents) (In 1951/52 Prices) | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Gross National Product | 41,913 | 42,500 | 43,400 |
| Net Foreign Balance | -991 | -15 | -218 |
| Total Availabilities | 42,904 | 42,515 | 43,618 |
| Consumption - Amount | 28,148 | 28,495 | 28,780 |
| *Percent of GNP* | 67.2 | 67.0 | 66.3 |
| Gross Investment (Priv. and Gov't) - Amount | 6,493 | 5,000 | 5,700 |
| *Percent of GNP* | 15.5 | 11.8 | 13.1 |
| Government Services, Total | 8,263 | 9,020 | 9,138 |
| Non-Military | 4,169 | 3,913 | 3,938 |
| Military - Amount | 4,094 | 5,107 | 5,200 |
| *Percent of GNP* | 9.8 | 12.0 | 12.0 |

## INDEXES OF PRODUCTION

| | INDUSTRIAL (1948 = 100) | | AGRICULTURAL (Prewar = 100) |
|---|---|---|---|
| 1938 | 83 | Prewar | 100 |
| 1947 | 89 | 1947/48 | 94 |
| 1948 | 100 | 1948/49 | 108 |
| 1949 | 106 | 1949/50 | 111 |
| 1950 | 115 | 1950/51 | 119 |
| 1951 | 119 | 1951/52 | 120 |
| 1952 | 115 | 1952/53 | 125 |

## GOLD AND SHORT-TERM DOLLAR ASSETS ($ Millions)

| 1949 | 1950 | | 1951 | | 1952 | | 1953 |
|---|---|---|---|---|---|---|---|
| SEPT. | JUNE | DEC. | JUNE | DEC. | JUNE | DEC. | MAY |
| 1,425 | 2,422 | 3,300 | 3,867 | 2,335 | 1,685 | 1,846 | 2,273 |

## GOLD AND DOLLAR TRANSACTIONS (Millions of $ Equivalents)

| | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Imports (f.o.b.) | 2,187.0 | 1,363.0 | 1,500.0 |
| Exports (f.o.b.) | 1,095.0 | 1,105.0 | 1,115.0 |
| U.S. Military Expenditures | 88.0 | 118.0 | 135.0 |
| Net Balance for Services | -543.0 | -260.0 | -325.0 |
| Net Balance Asso. Monetary Areas | -44.0 | +500.0 | +385.0 |
| Net Settlements | -619.0 | +61.0 | -75.0 |
| Net Capital Operations | -274.0 | +75.0 | -140.0 |
| BALANCE BEFORE MSP RECEIPTS | -2,484.0 | +236.0 | -405.0 |
| MUTUAL SECURITY PROGRAM RECEIPTS | | | |
| U.S. Offshore Procurement | 0.1 | 39.6 | 150.0 |
| Use of Pipeline (+ is use −is accumulation) | -48.0 | +10.4 | +40.0 |
| *MUTUAL DEFENSE FINANCING* | 350.0 | 409.6 | 200.0 |
| TOTAL MSP RECEIPTS | 302.0 | 459.6 | 390.0 |
| CHANGE IN RESERVES (+ is increase −is decrease) | -2,182.0 | +696.0 | -15.0 |

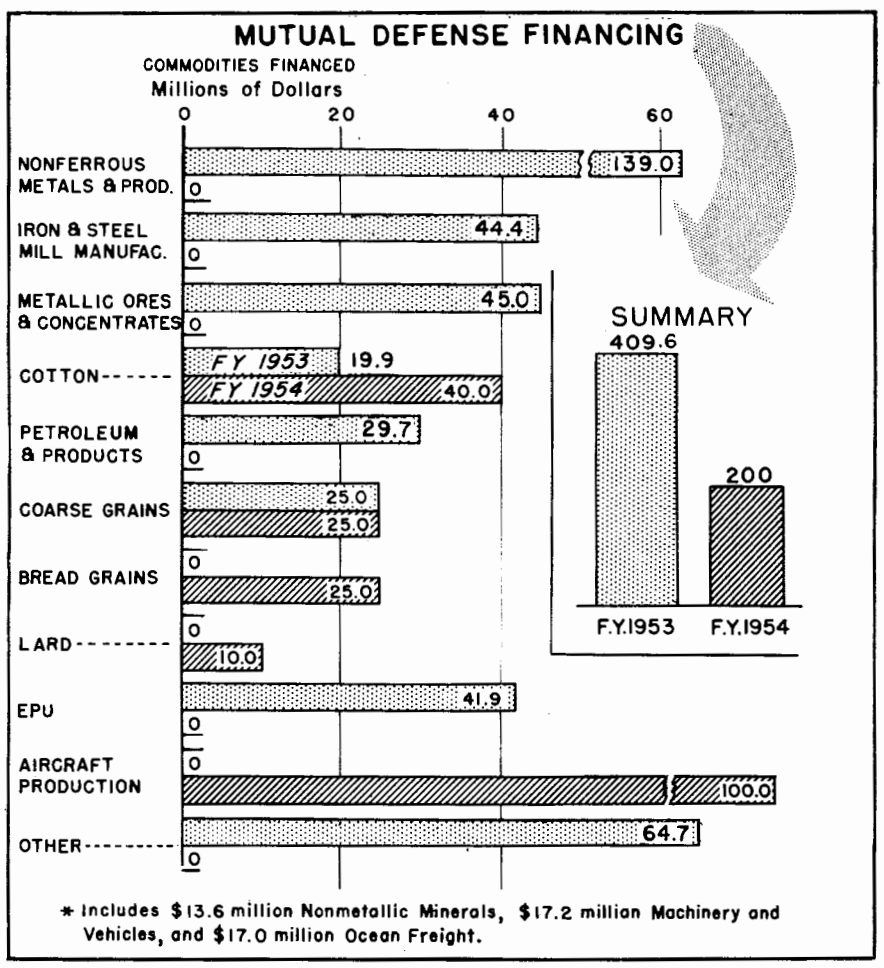
## GOVERNMENT FINANCES (Millions of $ Equivalents)

| CENTRAL GOVERNMENT | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| TOTAL REVENUES (incl. Counterpart) | 12,473 | 12,599 | 12,555 |
| Taxes and Other Revenues | 12,353 | 12,319 | 12,215 |
| Counterpart | 120 | 280 | 340 |
| TOTAL EXPENDITURES | 12,990 | 13,722 | 13,725 |
| Defense Expenditures | 4,094 | 5,107 | 5,200 |
| Other | 8,896 | 8,615 | 8,525 |
| DEFICIT OR SURPLUS | -517 | -1,123 | -1,170 |

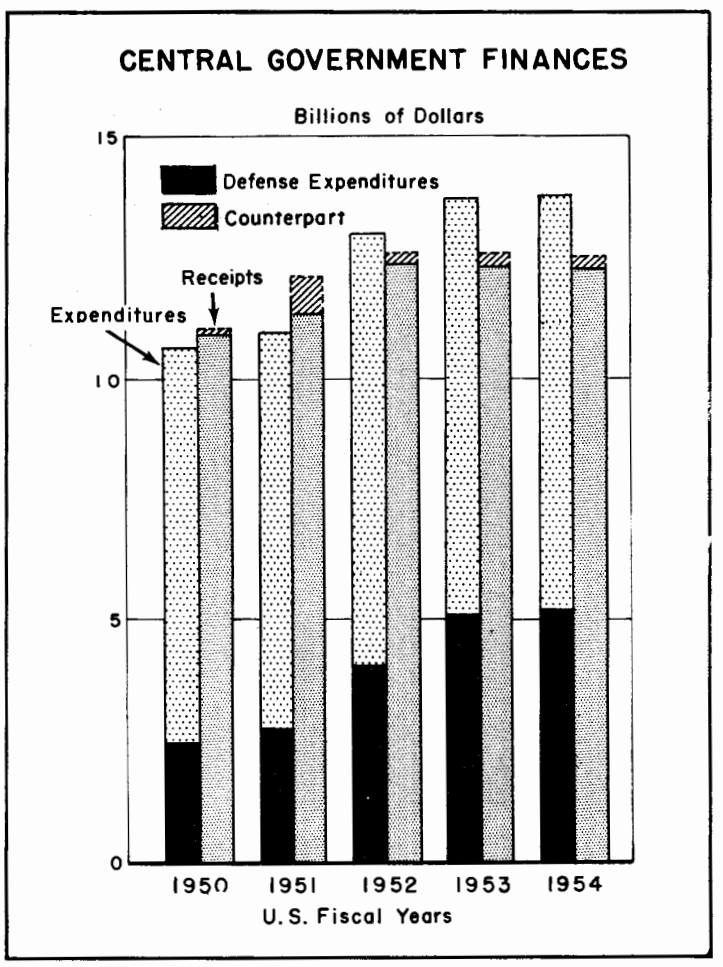
| GROSS DEBT OF CENTRAL GOVERNMENT | 1951 | 1952 | 1953 |
|---|---|---|---|
| Amount Outstanding as of Mar. 31 | 71,299 | 70,596 | 71,072 |
| *Percent of Gross National Product* | 195.0 | 175.8 | 163.6 |

| TAX RECEIPTS OF ALL LEVELS OF GOV'T | CALENDAR YEAR 1951 | 1952 | FY ENDING MAR 31 1954 |
|---|---|---|---|
| Central Gov't (excl. Social Insurance) | 11,208 | 11,774 | 11,843* |
| Social Insurance | 1,266 | 1,336 | 1,397 |
| Regional and Local Governments | 1,011 | 1,095 | 1,145 |
| TOTAL TAXES | 13,485 | 14,205 | 14,385* |
| TOTAL TAXES AS A PERCENT OF GNP | 33.6 | 32.7 | 32.3* |

* Reflects proposed tax reduction.




* Includes $13.6 million Nonmetallic Minerals, $17.2 million Machinery and Vehicles, and $17.0 million Ocean Freight.



# YUGOSLAVIA

Since the break with the Cominform in 1948, Yugoslavia has been forced to maintain one of the largest standing armies in Europe. To maintain and equip this army, the Yugoslavs have been allocating a greater share of their resources to defense than any of the Western European nations. It is estimated that $600 million will be spent for defense during FY 1954. This is 80 percent of the Central Government budget and is estimated to be about 16 percent of gross national product. Over 86 percent of this defense budget will go for armaments, equipment, and military construction. Furthermore, about 32 percent of Yugoslavia's total imports go directly or indirectly to meet military requirements.

This burden exerts a serious strain on a predominantly agrarian economy with one of the lowest living standards in the West. The Yugoslav industrial plant is unable to supply the quantities of equipment and maintenance items which are required by a modern army. Droughts in 1950 and 1952 have made it impossible to import enough for military and minimum consumption necessities.

The program in FY 1954 has been planned to meet the main problems arising from this situation. The $45 million requested for Yugoslavia in defense support aid will provide:

1. Fuel, brass and tires to be supplied directly to the armed forces;
2. Semi-finished steel products, bars, etc. to be used to expand and improve Yugoslavia's industrial capacity for producing parts essential to the maintenance of military equipment;
3. Wheat to augment inadequate supplies for minimum consumption;
4. Coal and chemical products to enable Yugoslav industries to keep unemployment low and produce additional textiles, shoes, and medical supplies, both for the armed forces and for the civilian population.

# YUGOSLAVIA

AREA - 96,134 square miles

POPULATION - Prewar 15,384,000 Jan. 1, 1953 16,585,000

## USE OF RESOURCES, (AT MARKET PRICES)

| (Millions of $ Equivalents) (In 1951/52 Prices) | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Gross National Product | 3,730 | 3,305 | 3,810 |
| Net Foreign Balance | - 88 | - 219 | - 86 |
| Total Availabilities | 3,818 | 3,524 | 3,896 |
| Consumption - Amount | 1,880 | 1,698 | 2,044 |
| *Percent of GNP* | 50.4 | 51.4 | 53.6 |
| Gross Investment (Priv. and Gov't) - Amount | 906 | 840 | 942 |
| *Percent of GNP* | 24.3 | 25.4 | 24.7 |
| Government Services, Total | 1,032 | 986 | 910 |
| Non-Military | 408 | 386 | 310 |
| Military - Amount | 624 | 600 | 600 |
| *Percent of GNP* | 16.7 | 18.2 | 15.7 |

## INDEXES OF PRODUCTION

| INDUSTRIAL (1948 = 100) | AGRICULTURAL (Prewar = 100) |
|---|---|
| 1938 | Prewar |
| 1947 | 1947/48 |
| 1948 | 1948/49 |
| 1949 | 1949/50 |
| 1950 | 1950/51 |
| 1951 | 1951/52 |
| 1952 | 1952/53 |

## GOLD AND SHORT-TERM DOLLAR ASSETS ($ Millions)

| 1949 | 1950 | | 1951 | | 1952 | | 1953 |
|---|---|---|---|---|---|---|---|
| SEPT. | JUNE | DEC. | JUNE | DEC. | JUNE | DEC. | APR. |
| 23 | 12 | 19 | 13 | 13 | 17 | 18 | 16 |

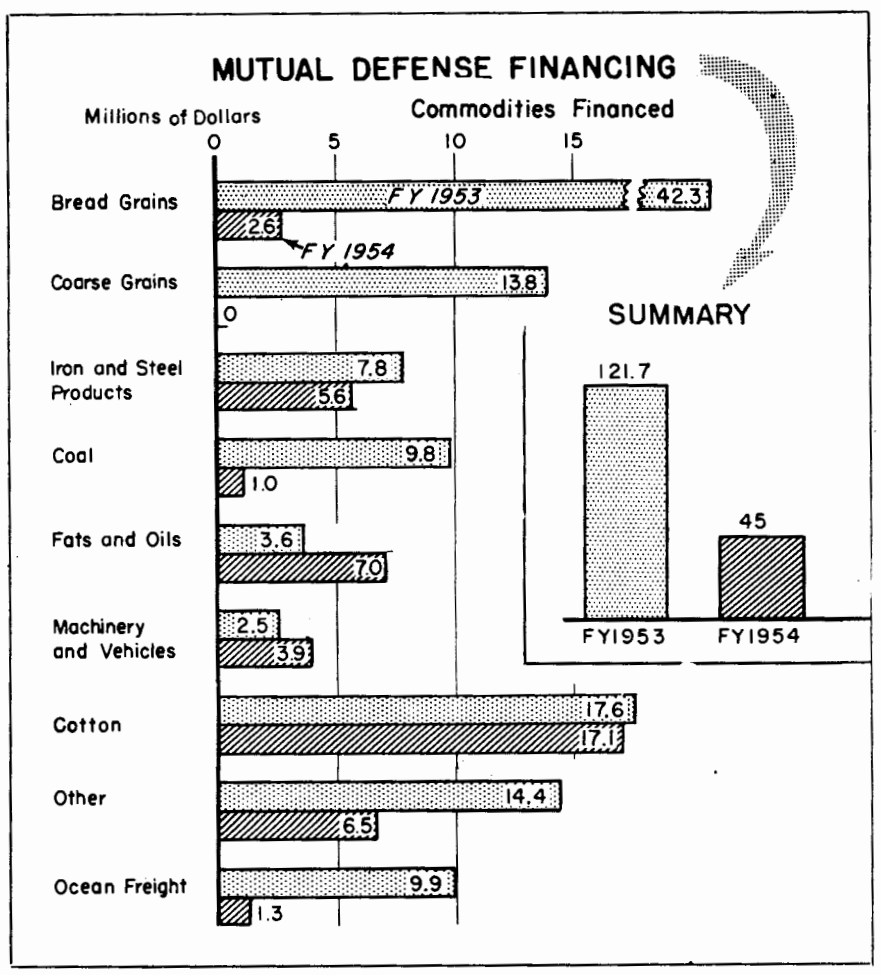
## GOLD AND DOLLAR TRANSACTIONS (Millions of $ Equivalents)

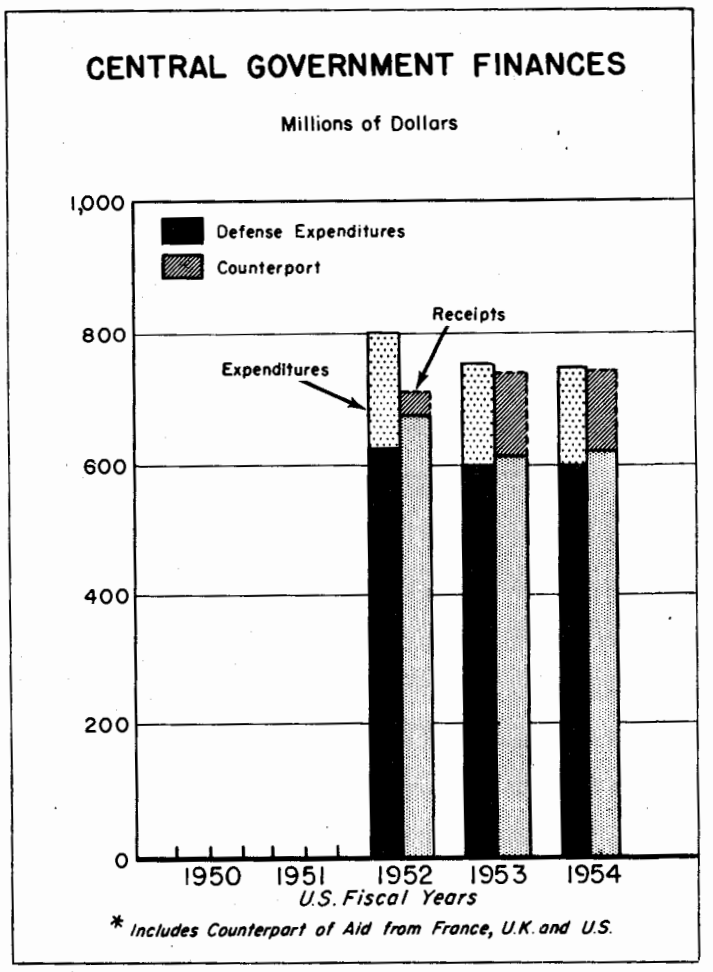
| | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| Imports (f.o.b.) | 109.4 | 148.4 | 82.7 |
| Exports (f.o.b.) | 32.8 | 38.0 | 32.0 |
| U.S. Military Expenditures | 0.3 | 0.1 | 0.5 |
| Net Balance for Services | - 6.9 | -17.1 | -10.2 |
| Net Balance Asso. Monetary Areas | - | - | - |
| Net Settlements | - 3.2 | - 0.8 | - |
| Net Capital Operations | + 6.0 | +13.0 | - 8.6 |
| BALANCE BEFORE MSP RECEIPTS | -80.4 | -115.2 | -69.0 |
| MUTUAL SECURITY PROGRAM RECEIPTS | | | |
| U.S. Offshore Procurement | - | - | 1.0 |
| Use of Pipeline (+ is use -is accumulation) | +4.25 | -8.60 | +16.0 |
| *MUTUAL DEFENSE FINANCING* | 80.25 | 121.75 | 45.0 |
| TOTAL MSP RECEIPTS | 84.5 | 113.15 | 62.0 |
| CHANGE IN RESERVES (+ is increase -is decrease) | +4.1 | - 2.05 | -7.0 |

## GOVERNMENT FINANCES (Millions of $ Equivalents)

| CENTRAL GOVERNMENT | U.S. FISCAL YEARS 1952 | 1953 | 1954 |
|---|---|---|---|
| TOTAL REVENUES (incl. Counterpart) | 708 | 739 | 742 |
| Taxes and Other Revenues | 675 | 614 | 620 |
| Counterpart | 33 | 125 | 122 |
| TOTAL EXPENDITURES | 801 | 754 | 750 |
| Defense Expenditures | 624 | 600 | 600 |
| Other | 177 | 154 | 150 |
| DEFICIT OR SURPLUS | -93 | -15 | - 8 |
| GROSS DEBT OF CENTRAL GOVERNMENT | | | |
| Amount Outstanding | | | |
| *Percent of Gross National Product* | | | |

| TAX RECEIPTS OF ALL LEVELS OF GOV'T | YEAR ENDING 1951 | 1952 | 1953 |
|---|---|---|---|
| Central Gov't (excl. Social Insurance) | | | |
| Social Insurance | | | |
| Regional and Local Governments | | | |
| TOTAL TAXES | | | |
| TOTAL TAXES AS A PERCENT OF GNP | | | |



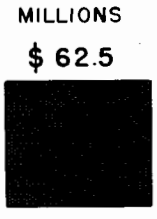
# SPAIN

On the present assumption that the agreements under negotiation with Spain will be signed in the immediate future, $10 million of defense support would be provided. This would supplement the $75 million currently planned to be made available as defense support out of the $125 million previously appropriated. The use of those previously appropriated funds has been dependent on satisfactory conclusion of negotiation with Spain for a mutual defense program. All defense support furnished to Spain will be used to build military potential and economic strength for Spain's contribution to Western defense. It will serve:

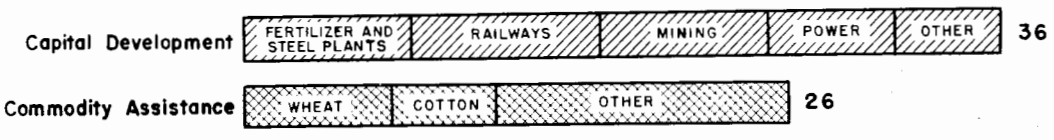
1. To aid in carrying out the base construction program, including some railroad rehabilitation.
2. To strengthen particular segments of the economy of Spain, so that it can support Spanish participation in defense of the bases or other mutually agreed military programs.
3. To provide equipment, supplies and technical assistance for increasing Spanish military production required for mutually agreed military programs.
4. To provide equipment, supplies and technical assistance to increase Spanish production and exports of minerals and agricultural products required by the Free World.

This $10 million coupled with previously appropriated funds is considered to be of critical importance in eliciting Spanish cooperation in a mutual defense program for which Spain would make certain facilities available on Spanish territory for the use of U.S. forces, and would participate in the protection of those facilities, and under which the U.S. would provide military assistance and defense support to further the defense capabilities of Spain and to prevent the impact of an agreed construction program from doing serious damage to the Spanish economy.

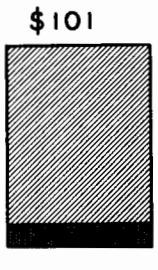
## Funds have been appropriated or requested for aid to Spain in the following amounts:




① A loan of $ 62.5 million. This has all been obligated in the following manner:



② Authorizations totaling $ 125 million for military and economic assistance have been made. Pending outcome of negotiations with Spain, none of these funds have been obligated as yet. The funds have been tentatively allocated: $75 million to MSA and $50 million to the Defense Department.




③ A total of $ 101 million in new funds is requested for 1954 in addition to the unobligated balance of $ 125 million; $ 91 million is tentatively earmarked for military purposes and $ 10 million for economic purposes.

FUNDS AVAILABLE IN FY '54

$ 226 MILLION

# EUROPE - INTRA-EUROPEAN COOPERATIVE BANK

Purpose

As part of its effort to increase the efficiency of distribution and production in Western Europe, MSA plans to assist the European Cooperative movement by helping to establish a European Cooperative Bank. The purpose of such a bank is to provide European cooperatives with reasonable credit to expand and modernize operations and thus enable them to exert greater pressure in promoting low-cost production and distribution in the very large areas of the European economy which they serve.

European Cooperatives

European Cooperatives have a membership of 18 million people and do a gross business of $3 billion a year. In most countries their leadership is aggressively anti-Communist. An exception is Italy where some of the cooperatives have fallen under Communist domination. One of MSA's primary purposes in aiding such a bank is to strengthen the non-Communist cooperatives as a democratic force - particularly in countries like Italy and France, where the cooperatives are relatively weak and where Communist strength is considerable.

Other benefits of particular interest to MSA will be to increase the flow of goods and services between European countries through increased cooperation between national cooperatives, and to promote the intra-European flow of capital by extending credits raised in one country to cooperatives in another country. Some illustrative examples of projects for which the bank will extend credits are:

1. Modernization of retail stores by consumer cooperatives in all European countries, including the introduction of self-service methods. Small-store modernization programs by consumer cooperatives are now under way in all the countries, but an acceleration and expansion of the programs might result in major savings of needed manpower and in lower food distribution costs.

2. Establishment of a citrus concentrate plant in South Italy by consumer cooperatives of Northern Europe, thus saving the additional transportation costs now involved in transporting whole fruit to Northern Europe and at the same time, providing South Italy with a needed additional industry.

3. Supplementing of German consumer cooperative bicycle manufacturing facilities to enable them to supply parts at low cost for assembly by other consumer cooperatives throughout Europe, thus lowering the cost of an important means of transportation for lower-income Europeans.

4. Expansion of consumer cooperative distributing facilities in France for butane gas, a by-product of petroleum refining operations, which is now being partially wasted and which can be used to replace scarce coal.

Proposed Organization of the Bank

Envisaged is a non-government institution which will raise money through the sale of bonds in various European countries and use the proceeds of the bond sales to extend loans to European cooperatives. It is planned that once established, the bank will grow in resources through its own earnings and through further sales of its bonds.

In this connection, it is significant to note that, if the plan is adopted, American cooperative organizations have already indicated their willingness to buy the Bank's securities and to help market them in the United States. It is also to be hoped that the proposed Bank might, in the course of time, be able to use its credit to borrow from such institutions as the International Bank for Reconstruction and Development for the purpose of re-lending to European consumer cooperatives.

Proposed Use of MSA Funds

The contribution of European cooperatives will take the form of subscriptions to the bank's capital and guarantees to purchasers of the bank's bonds, much in the same way that member governments now guarantee the bonds of the World Bank. An MSA contribution is needed (a) in order to accelerate the formation of the bank, (b) as a source of immediate credits to cooperatives which are hard pressed in areas where Communist strength is greatest, (c) as a reserve against contingencies arising from currency fluctuations. The bank will pioneer in a new form of international financing and it is urgently required that it have sufficient reserves during its formative period.

Representatives of the European and United States cooperatives have requested MSA to invest up to $5,000,000 in the proposed bank. Current plans are that MSA would make this investment by a transfer of funds under Section 111(d) of the Economic Cooperation Act of 1948, as amended. The investment would be made in the form of a grant, non-voting equity or a long-term loan.

# EUROPE - TECHNICAL ASSISTANCE

REQUIREMENTS BY TYPE OF ACTIVITY

| | Actual FY 1952 | Estimated FY 1953 | Requested FY 1954 |
|---|---|---|---|
| Type A - Europeans to U. S. | $ 7,235,044 | $ 5,620,500 | $ 4,600,000 |
| Work-Study Training Program | 959,413 | 600,000 | 600,000 |
| Type B - American Experts to Europe | 1,388,542 | 3,225,000 | 4,400,000 |
| Type E - U. S. Materials and Services | 2,439,753 | 2,000,000 | 1,380,000 |
| Demonstration Projects in Europe | | 3,000,000 | 5,200,000 |
| Productivity Films & Exhibits in Europe | 800,000 | 2,000,000 | 2,000,000 |
| Operations Costs in U. S. | 2,259,617 | 2,367,770 | 1,750,000 |
| Operations Costs Overseas | 3,177,090 | 6,429,311 | 5,350,000 |
| OEEC Productivity Agency | | 2,500,000 | |
| Scientific and Technical Training | | 1,300,000 | |
| Turkish Highway & Special Agricultural Projects | | 961,000 | |
| Total Gross Obligations | 18,759,459 | 30,003,581 | 25,280,000 |
| Credits from Deobligations, Prior Year Funds | -2,439,085 | -3,636,000 | -2,280,000 |
| GRAND TOTAL | $ 16,320,374 | $ 26,367,581 | $ 23,000,000 |

PROGRAM PARTICIPANTS

| | Europeans Coming to U.S.A. (No. of Arrivals) | | | American Experts Sent to Europe (No. of Departures | | |
|---|---|---|---|---|---|---|
| | Actual FY 1952 | Actual FY 1953 | Requested FY 1954 | Actual FY 1952 | Actual FY 1953 | Requested FY 1954 |
| **Leaders** | | | | | | |
| Industry - Basic and Consumer | 2,782 | 1,277 | 965 | 210 | 151 | 210 |
| Industry - Military | 47 | 157 | 600 | | 4 | 90 |
| Labor Productivity | 150 | 427 | 350 | 10 | 7 | 20 |
| Agriculture | 897 | 648 | 475 | 56 | 51 | 60 |
| Gov't Admin., Pub. Health, & Transp. | 90 | 58 | 60 | 42 | 35 | 20 |
| TOTAL | 3,966 | 2,567 | 2,450 | 318 | 248 | 400 |
| **Trainees** | | | | | | |
| Industrial Work-Study Trainees | 428 | 394 | 500 | | | |

* * * * * * * * * * * * * * * *

| MSA Program Employment (Man-Years) | Actual 1952 | Actual 1953 | Requested 1954 |
|---|---|---|---|
| In U.S.A. | 179 | 191 | 170 |
| In Europe | 229 | 273 | 190* |

* 217 requested positions, not counting Type B experts.

REQUIREMENTS BY COUNTRY
(Thousands of Dollars)

| | FY 1952 Act. | FY 1953 Est. | FY 1954 Est. |
|---|---|---|---|
| Austria | $ 350.7 | $ 945.0 | $ 1,200.0 |
| Belgium | 403.0 | 246.0 | 200.0 |
| Denmark | 285.8 | 430.0 | 350.0 |
| France | 1,385.6 | 2,020.0 | 2,050.0 |
| Germany | 512.8 | 1,360.0 | 1,450.0 |
| Greece | 1,901.3 | 3,178.0 | 2,100.0 |
| Iceland | 16.8 | 46.0 | 30.0 |
| Ireland | 83.2 | 28.0 | |
| Italy | 668.3 | 2,500.0 | 2,500.0 |
| Netherlands | 509.9 | 705.0 | 600.0 |
| Norway | 566.8 | 614.0 | 400.0 |
| Portugal | 88.8 | 373.0 | 250.0 |
| Sweden | 9.0 | | |
| NATO | | 10.0 | 100.0 |
| Turkey | 1,062.5 | 2,488.0 | 2,750.0 |
| United Kingdom | 1,950.6 | 1,359.0 | 1,050.0 |
| Yugoslavia | 131.9 | 638.0 | 1,150.0 |
| OEEC | 3,488.3 | 4,936.0 | 3,550.0 |
| Multi-Country | 1,137.4 | 800.0 | 800.0 |
| U. S. Agencies | 691.2 | 1,000.0 | 800.0 |
| Private Agencies | 271.0 | 650.0 | 600.0 |
| MSA/US Operations | 1,738.5 | 2,367.0 | 1,750.0 |
| MSA/Eur. Operations | 1,506.0 | 1,800.0 | 1,600.0 |
| Sci. & Tech. Trng. | | 1,510.0 | |
| Total Oblig. | $ 18,759.4 | $ 30,003.0 | 25,280.0 |
| Credits (Deob.) | -2,439.4 | -3,636.0 | -2,280.0 |
| TOTAL REQUIREMENTS | 16,320.0 | 26,367.0 | $ 23,000.0 |

PURPOSE AND NATURE OF PROGRAM

1. PURPOSE. To assist Europeans in developing more efficient use of production and distribution facilities in industry and agriculture; to transfer American techniques and know-how; to encourage Europeans to exchange such information among themselves.

2. FINANCIAL REQUIREMENTS. Although less U. S. funds will be required, MSA expects to accomplish more in this program than in any previous year. This is due to increasing acceptance in Europe of productivity ideas and more self-help efforts.

3. EUROPEAN EFFORTS. Over $50 million of local currency will be contributed directly by Europeans to this program. In addition to this, a large amount of 90 percent counterpart will be used on joint country-MSA programs.

4. OEEC AND NATIONAL PRODUCTIVITY AGENCIES. Most of the participating countries already have well-established Productivity Centers. On May 1, 1953, the Council of the OEEC authorized the establishment of a Productivity Agency to operate on a Europe-wide basis. It is anticipated that this new organization will begin to function by the coming fall or winter.

Of this amount, more than $30 million, about 70%, will be devoted to agricultural and natural resources development, and to the improvement of public health and education. More than 50% of the remainder will be devoted to so-called "general projects" in Iran, Egypt, Lebanon, Saudi Arabia and Ethiopia -- usually a combined program of the various technical services available for the over-all improvement of selected rural areas.

The specific activities range all the way from nation-wide agricultural extension or malaria control programs, and engineering surveys for irrigation and land reclamation projects, through demonstration of crop and livestock improvement practices, environmental sanitation, disease and pest control, to the assignment of single technicians to advise on the organization of individual government departments. Integrated action programs have been jointly planned and executed by U.S. and local technicians. The relationship between the U.S. technicians and their host governments' counterparts is that of cooperative teamwork in a joint undertaking. This is the essence of the Technical Cooperation Program.

## IV. Special Economic Assistance

### A. The Need for Special Assistance

In addition to long-range problems of economic development, which this region has in common with other underdeveloped regions of the world, there are certain clearly defined immediate emergencies which, if not met, will seriously threaten the stability of the region. The countries of the area do not themselves have the economic resources available to meet these emergencies. In addition, there are other situations where outside financial support will materially accelerate the development of economic strength in the entire area. Neither the emergencies nor the problem of inadequate capital resources for essential regional economic development can be dealt with through the operation of the long-range, low-intensity Technical Cooperation Program alone. It is in the U. S. interest to carry out a program of special economic aid in certain specific countries.

### B. The Program

To make an immediate impact on the economic difficulties now standing in the path of area peace and stability, and to improve relations with the West with a view to obtaining wider participation in the structure of the non-Soviet world, a regional approach must be made to the problems underlying U. S. relations with the nations of the area. There has been authorized a "single package" of aid funds which will enable the United States to meet specific situations of a political and security nature and to take prompt advantage of opportunities for economic and social development. More specifically, this means continued emergency aid for Israel and the initiation of U. S. grant aid for certain high priority development projects in the Arab States, and continuation of the cooperative program in Iran. New authorizations totaling $170 million have been granted for these purposes and for the Palestine Refugee Program. Because new appropriations are not at present requested for Palestine refugees, new obligational authority is being requested at this time for $140 million for FY 1954.

In the case of Israel, the funds would be directed to maintain the economy of that country, which is in dire need of support. The Congress of the United States, for many years, has advocated the cause of Israel; and Israel's present financial status is such that her national existence will be imperiled unless the U.S. Government can continue to make substantial grants to her to provide for current balance-of-payment requirements.

In the case of the Arab States, United States security interests demand that steps be taken to meet the needs of the increased population that has arisen as a result of the displacement of the Arab population of what is now Israel by immigrants of Jewish origin. To this end, funds are required to provide for selected high-priority reclamation projects, centered in Syria, Jordan and Egypt. Funds already appropriated for the refugee program cannot alone meet these requirements, as the Arab governments cannot accept a situation in which the refugees from Palestine would be the sole direct beneficiaries of local economic developments. Special Funds are therefore required to provide for participation of local populations in such projects. Besides contributing to the solution of the issues of the Palestine conflict, which is the prime reason for special U.S. grant assistance, it is also important to further other selected programs of development in the Arab nations, largely in the field of land and water reclamation, though not necessarily limited to these. Projects have accordingly been prepared to illustrate the major needs in reclamation, irrigation and basic transport.

In the case of Iran, it is recognized that such development as could result merely from the operation of a strictly-limited technical cooperation program is not adequate to cope with the political problems involved. It is necessary to maintain the rate of over-all development at least at the level already reached on the basis of the FY 1952 and 1953 programs. For that reason, it will be necessary to provide limited funds from the Special Economic Aid program package for the Near East, to supplement technical cooperation in an integrated program for Iran of the order of $25,000,000.

(The detailed breakdown and description of the different illustrative components of this program are available in a separate classified document. This confidential classification is necessary to preserve the U.S. negotiating position and flexibility in the operation of the program, in accordance with the complexity of the diplomatic and political objectives involved.)

SECRET
SECURITY INFORMATION

# NEAR EAST AND AFRICA

## ACT FOR INTERNATIONAL DEVELOPMENT

PROGRAM COST BY FIELD OF ACTIVITY
FY 1952-1953
(Thousands dollars)

| Major Field of Activity | FY 52 | FY 53 |
|---|---|---|
| Agriculture, Forestry, Fisheries | 9,416 | 8,309 |
| Health and Sanitation | 10,390 | 9,082 |
| Education | 4,506 | 4,833 |
| Natural Resources | 4,344 | 3,618 |
| Industry and Trade | 4,410 | 4,107 |
| Transportation and Communication | 2,071 | 2,142 |
| Public Administration | 397 | 1,857 |
| General Projects | 1,325 | 16,203 |
| Domestic Program Costs | 915 | 991 |
| TOTAL | 37,774 | 51,142 |

DISTRIBUTION OF COSTS FOR FY 1954
(In thousands of dollars)

| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 12,356 | 3,530 | 596 | 3,534 | 4,696 |
| 7,238 | 2,071 | 493 | 1,929 | 2,745 |
| 5,268 | 1,481 | 313 | 1,358 | 2,116 |
| 5,624 | 1,610 | 283 | 1,886 | 1,845 |
| 2,629 | 984 | 255 | 453 | 937 |
| 1,396 | 650 | 148 | 349 | 249 |
| 1,230 | 483 | 154 | 163 | 430 |
| 7,191 | 1,379 | 68 | 2,611 | 3,133 |
| 860 | 154 | 356 | - | 350 |
| 43,792 | 12,342 | 2,666 | 12,283 | 16,501 |

## TECHNICAL ASSISTANCE FOR DEPENDENT OVERSEAS TERRITORIES IN AFRICA

PROGRAM COST BY FIELD OF ACTIVITY
FY 1952-1953
(Thousands dollars)

| Major Field of Activity | FY 52 | FY 53 |
|---|---|---|
| Agriculture, Forestry, Fisheries | 91.8 | 421.2 |
| Health and Sanitation | 5.5 | 4.3 |
| Education | - | 6.5 |
| Industry, Trade, Labor | 1.0 | 14.0 |
| Transportation and Communications | 101.3 | 3.9 |
| Public Administration | 3.0 | 10.5 |
| General Projects | - | 165.0 |
| TOTAL | 202.6 | 625.4 |

DISTRIBUTION OF COSTS FOR FY 1954
(In thousands of dollars)

| Total | Technicians | Trainees | Supplies & Equipment |
|---|---|---|---|
| 365.9 | 274.6 | 33.4 | 57.9 |
| 400.0 | 260.0 | 40.0 | 100.0 |
| 222.0 | 120.0 | 50.0 | 52.0 |
| 759.2 | 504.0 | 55.2 | 200.0 |
| 109.0 | 42.0 | 10.0 | 57.0 |
| 32.5 | 20.0 | 5.4 | 7.1 |
| 52.0 | 20.0 | 6.0 | 26.0 |
| 1,940.6 | 1,240.6 | 200.0 | 500.0 |

## SPECIAL ECONOMIC ASSISTANCE
(Thousands dollars)

| | FY 1952 | FY 1953 | FY 1954 |
|---|---|---|---|
| Arab States | | | 65,900-91,000 |
| Palestine Refugee Program | 50,000 | 60,063 | |
| Economic Assistance (wheat for Jordan) | 1,264 | - | |
| Israel | | | 55,000-70,000 |
| Relief and Resettlement of Refugees Entering Israel | 50,000 | 70,228 | |
| Economic Assistance | 13,500 | - | |
| Iran | - | - | 11,000-20,000 |
| Subtotal | 114,764 | 130,291 | 140,000 1/ |
| Dependent Overseas Territories in Africa | 37,580 | 43,412 | 24,000 |
| TOTAL | 152,344 | 173,703 | 164,000 |

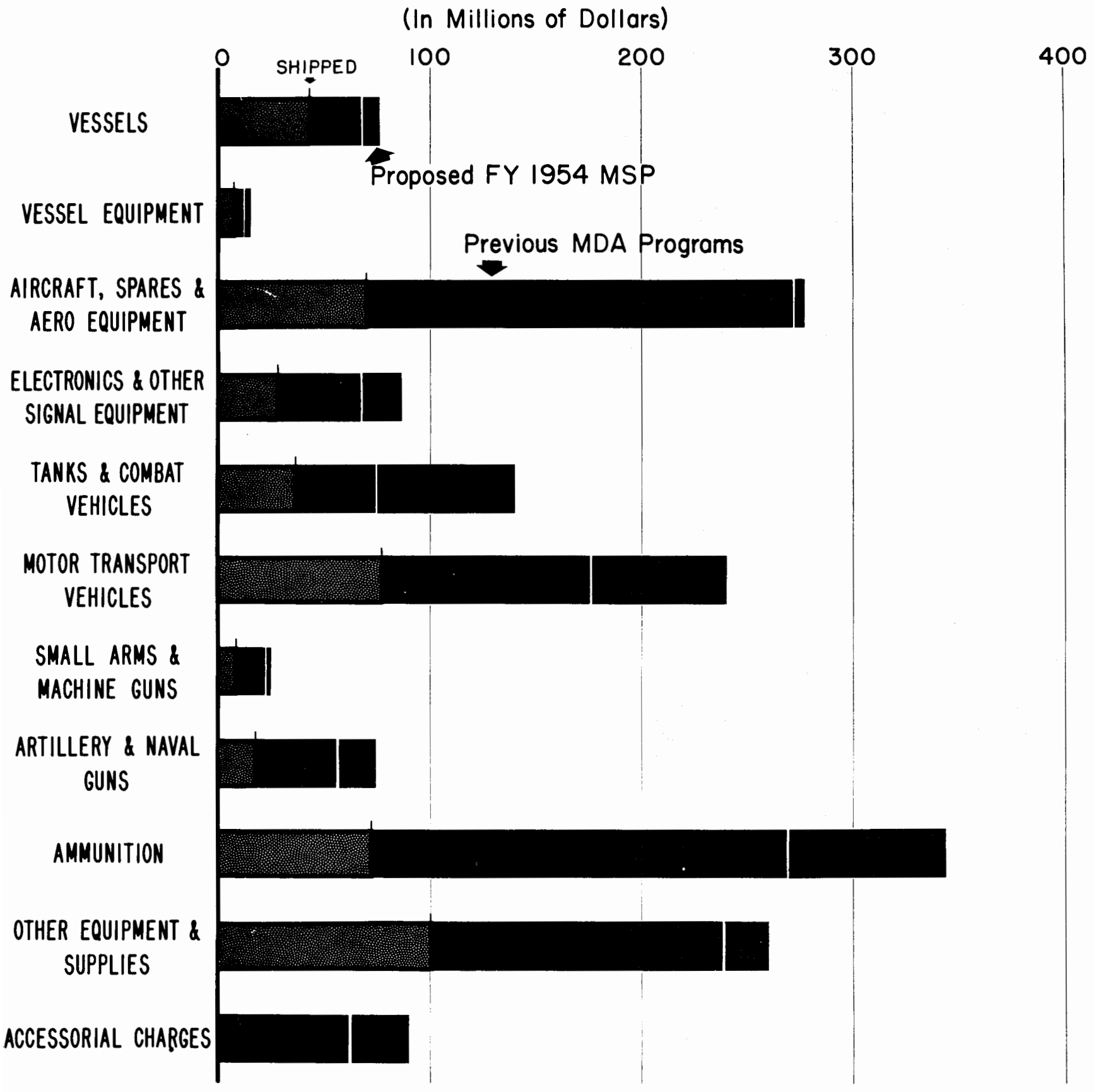
1/ Authorized for appropriation: $140,000,000 as a "package" program.

SECRET
SECURITY INFORMATION

DEPARTMENT OF DEFENSE

MUTUAL DEFENSE ASSISTANCE PROGRAM

# COMPARISON OF FUND UTILIZATION
# PREVIOUS MDAP VS PROPOSED FY 1954 LEGISLATION
# NEAR EAST AND AFRICA



SECRET
Security Information

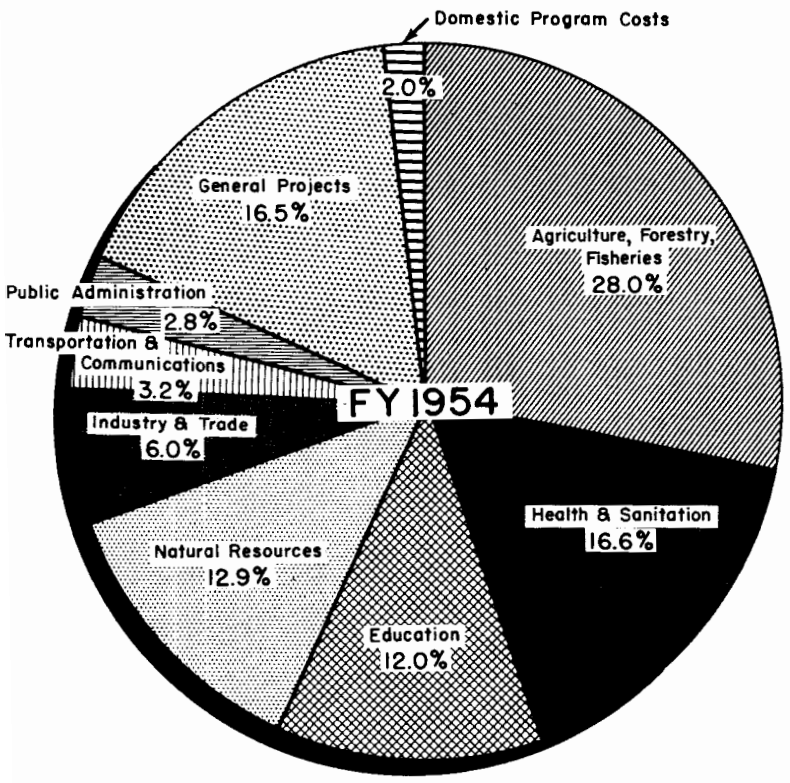
DEPARTMENT OF DEFENSE
STATISTICAL SUMMARY
PROPOSED FY '54 MUTUAL DEFENSE ASSISTANCE PROGRAM

| | TOTAL | (a) PHC&T | (b) TOTAL TRAINING | (c) TOTAL MATERIEL | MATERIEL MILITARY DEPARTMENTS ARMY | NAVY | AIR FORCE |
|---|---|---|---|---|---|---|---|
| TITLE II | $425,812,637 2/ | $28,400,000 | $16,806,770 | $280,605,867 | $241,000,000 | $16,200,000 | $23,405,867 |
| Greece | 47,934,530 | | 1,705,240 | 46,229,290 | 30,000,000 | 7,275,634 | 8,953,656 |
| Iran | 14,197,300 | | 2,763,480 | 11,433,820 | 9,000,000 | 750,000 | 1,683,820 |
| Turkey | 235,280,807 | | 12,338,050 | 222,942,757 | 202,000,000 | 8,174,366 | 12,768,391 |
| Middle East New Countries | 100,000,000 | | | | | | |
| PCH&T | 28,400,000 | 28,400,000 | | | | | |

(a) Entire PCH&T funds withheld by OSD Comptroller and released to military departments as needed in accordance with quarterly estimates of shipments.
(b) Training totals include funds by title for technical representatives, interpreters, etc., not included in country training programs.
(c) Materiel totals include charges for repair and rehabilitation.
2/ Includes $100 million for new Middle East countries undistributed.
NOTE: The above table excludes budgeted local currencies identifiable as Department of Defense as follows: Training, Title II $4,829,210.

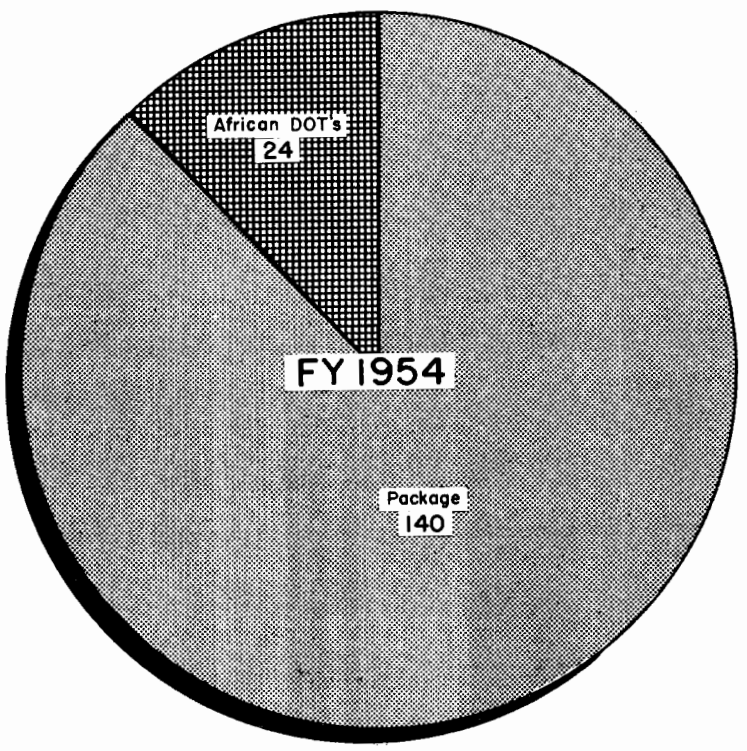
# REGIONAL SUMMARY — NEAR EAST AND AFRICA

## TECHNICAL COOPERATION BY FIELDS OF ACTIVITY




## SPECIAL ECONOMIC ASSISTANCE

( Millions of Dollars )




Total $164 million*

* Excludes $30 million for Palestine refugees for which no appropriation is requested.



SECRET Security Information

# SPECIAL ECONOMIC ASSISTANCE IN THE NEAR EAST

The program of special economic assistance in the Near East in the amount of $140 million, as indicated in the regional summary statement, is inherently a regional program designed to meet certain problems in the area which cannot effectively be dealt with as individual country problems and which involve a delicate balance in the allocation of funds as among countries. For the sake of completeness in the various country statements, approximate indications have been given as to the prospective distribution of this "single package" among the countries of the area. Nevertheless, it should be stressed that this program cannot be adequately considered as a series of individual country components. The program must instead be considered as a unit, encompassing projects in various countries, whose effectiveness depends not only on the value of the projects themselves but on the balance among them, considered on an area basis.

An extensive analysis and description of this proposed area program, with detailed breakdown on an illustrative basis, is contained in a separate document.

The details of this program are classified as Security Information in view of the complexity of the political and diplomatic objectives involved, and in order to preserve necessary negotiating flexibility.

# SPECIAL ECONOMIC ASSISTANCE

## ARAB STATES, ISRAEL AND IRAN, NEAR EAST AND AFRICA

COMPARATIVE SUMMARY OF OBLIGATIONS
(In thousands of dollars)

| ACTIVITY | Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 5/ |
|---|---|---|---|
| ARAB STATES | | | |
| Palestine Refugee Program 1/ | 50,000 | 60,063 | -- |
| Economic Assistance 2/ | 1,264 | -- | -- |
| Total | 51,264 | 60,063 | 65,900 - 91,000 |
| ISRAEL | | | |
| Relief and Resettlement of Refugees Entering Israel 3/ | 50,000 | 70,228 | -- |
| Economic Assistance 4/ | 13,500 | -- | -- |
| Total | 63,500 | 70,228 | 55,000 - 70,000 |
| IRAN | | | |
| Economic Assistance | -- | -- | 11,000 - 20,000 |
| TOTAL - ARAB STATES, ISRAEL & IRAN | 114,764 | 130,291 | 140,000 5/ |

1/ Aid for the Relief and Resettlement of Palestine Refugees.
2/ Wheat shipments to Jordan authorized under Economic Assistance provisions of Section 203 P.L. 165.
3/ Appropriated under Section 205 of P.L. 165 and P.L. 547 for Relief and Resettlement of Refugees entering Israel.
4/ Includes $13,500,000 for Economic Assistance under Section 203 of P.L. 165.
5/ Authorized for appropriation: $140,000,000 as a "package" program.

# EGYPT

## 1. General Situation

Ninety-six percent of Egypt is desert, leaving only 13,200 square miles to support a population of about 20 million people. It is one of the most densely populated areas in the world having 1,600 people to the square mile. Endemic diseases affect over 90 percent of the rural population. Over 80 percent of the population is illiterate. Although the Egyptian Government has during the last three decades and particularly in the last ten years formulated many programs to improve economic and social standards, few benefits have reached the peasant. This effort to improve their own lot has been given special significance by the advent of the Naguib Government which has vigorously undertaken a program of reform and reconstruction. Maguib*s Government is under great pressure to provide immediate evidence of its ability to improve conditions.

## 2. Program Objectives

Improve the irrigation, drainage and cultivation practices of the Egyptian farmer by a village level approach which will assure his active participation in a nation-wide drive for agricultural expansion; expand the cultivated area and improve diversification of crops as a means of raising present inadequate food levels and increase Egypt's export earnings; carry out intensive community development programs in several demonstration provinces to establish a pattern for all Egypt; expand health and sanitation facilities - primarily aimed at combating dysentary, trachoma and other filth-spread diseases; expand industrial production by development of mineral resources and improving processing and other industries.

## 3. Major Activities and Progress to Date

The keen interest of the Egyptian Government in the Point 4 program is perhaps best demonstrated by the agreement which set up the Egyptian American Rural Improvement Service. With a joint fund of slightly over $25 million to which the U. S. contributed $10 million, the service will concentrate its activities on a demonstration of rural improvement in the provinces of Beheira and Fayoum. Plans are being completed for land reclamation, the establishment of rural schools and social centers and sanitary facilities together with demonstration village health centers.

The agricultural development phase of the program included projects in training and agriculture extension, designed to introduce new strains of hybrid corn and the study of most suitable facilities for grain storage. Better poultry was introduced, and a project was initiated to test and experiment in growing grass in the Western desert.

A survey to gauge the possibilities of industry expansion is underway. An aerial survey covering the site of the proposed new high dam at Aswan is presently 80 percent complete. Plans have been drawn for indexing the soils of Egypt. Surveys are in process to evaluate the possibilities of making greater use of underground water supplies. With the aid of U.S. technical assistance sanitation projects are underway.

## 4. Plans for Fiscal Year 1954

The two-province broad cooperative development program will be extended into a third province. A program of public works in which Egyptian youth will be employed in such activities as erosion control, the improvement of roads, and the construction of schools and health centers will be organized.

The agricultural phase of the program will continue to receive major emphasis.

A program of nurses' training, maternal child health care and school health programs will be carried out and a system of fundamental, vocational and community education will be developed.

The program for natural resources includes the drilling of 50 experimental wells to irrigate 12,500 acres, the completion of a land classification survey in the Maryut area, the continuation of underground water surveys in desert fringe areas and the oases; and the establishment of a mineral resources laboratory.

A central aerial survey and photogrammetry unit will be established and assistance will be given in the selection and training of personnel.

Egyptian industrial potential and development will be analyzed; a research laboratory to train personnel in the testing of industrial materials will be established. Training awards will be granted for airway communications and railway maintenance personnel.

5. It is planned that Egypt will participate in the special economic assistance "package" program, described in the introduction to this paper. An illustrative program ranging from $24,800,600 to $39,700,000 has been developed, details of which are contained in separate classified documents.

**(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)**

# EGYPT

| GENERAL | 1938 | 1951 |
|---|---|---|
| Area | 386,100 sq. mi. | |
| Population | 16,008,000 | 20,729,000 |

| PRICE INDEXES (1948 = 100) | 1938 | 1951 |
|---|---|---|
| Wholesale | 31 | 116 |
| Cost of Living | 36 | 114 |

| INCOME AND PRODUCTION | 1939 | 1950 | 51 |
|---|---|---|---|
| Per Capita Income | $60 | $121 | $-- |
| Agricultural Production Index (1935-39 = 100) | | 95 | 92 |

| INTERNATIONAL TRADE (In millions of dollars) | 1938 | 1951 |
|---|---|---|
| Total Exports: | 151.1 | 569 |
| Total Imports: | 185.2 | 783 |
| United States Trade | | |
| Exports to U.S. : | 3.6 | 56 |
| Imports from U.S.: | 12.3 | 187 |
| Principal Commodity Exports: | Cotton, rice, onions, fuel oil, cotton yarn | |

| CENTRAL GOVERNMENT FINANCES (In millions of dollars) | 1949/50 | 1951/52 est. |
|---|---|---|
| Revenue: | 654 | 612 |
| Expenditures | 677 | 665 |
| National Defense: | -- | -- |
| Other: | -- | -- |
| Deficit: | 23 | 53 |

PROGRAM COST BY FIELD OF ACTIVITY
FY 1952-1953
(Thousand Dollars)

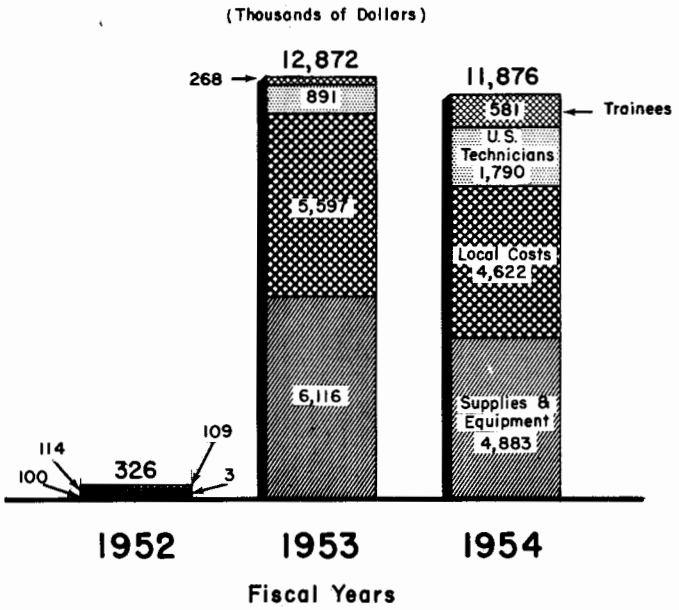
| Major Field of Activity | FY 52 | FY 53 |
|---|---|---|
| Agriculture, Forestry, Fisheries | 149 | 865 |
| Health and Sanitation | -- | 468 |
| Education | 40 | 175 |
| Natural Resources | 22 | 416 |
| Industry and Trade | -- | 235 |
| Transportation & Communications | 26 | 124 |
| Public Administration | 79 | 116 |
| General Projects | -- | 10235 |
| Domestic Program Costs | 10 | 238 |
| TOTAL AID | 326 | 12872 |
| Special Economic Aid | -- | -- |

DISTRIBUTION OF COSTS FOR FY 1954
(In thousands of dollars)

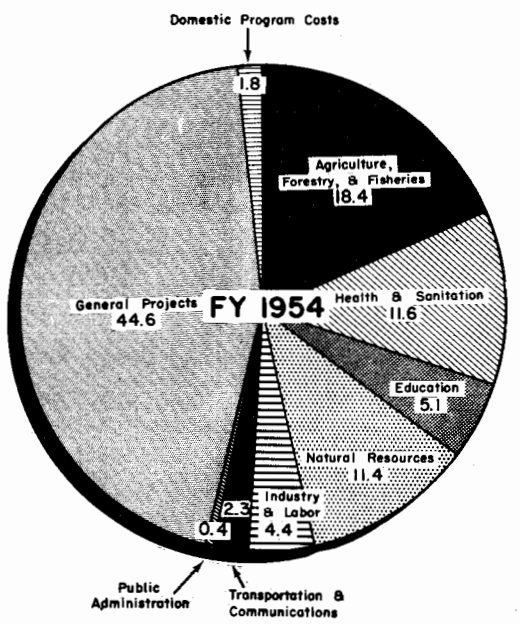
| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 2181 | 264 | 93 | 843 | 981 |
| 1383 | 253 | 105 | 356 | 669 |
| 607 | 77 | 30 | 290 | 210 |
| 1354 | 176 | 80 | 971 | 127 |
| 518 | 194 | 55 | 75 | 194 |
| 271 | 66 | 50 | 145 | 10 |
| 50 | -- | 50 | -- | -- |
| 5299 | 724 | 32 | 2203 | 2340 |
| 213 | 36 | 86 | -- | 91 |
| 11876 | 1790 | 581 | 4883 | 4622 |

For FY 54 included in proposed regional "package" program. Range $24,800 - $39,700.

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY




(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)

# ETHIOPIA

(Including Eritrea)

## 1. General Situation

Ethiopia together with the federated state of Eritrea (since September 1952) has an area of about 365,000 square miles, an estimated population of 15 million of whom more than 95% are illiterate. Principal exports are coffee, hides and skins. The official religion is Christian (Coptic) although Moslems are believed to equal or exceed the Christian population. The Italians conquered the country in 1935 and were driven out with British aid in 1941. This experience left the Ethiopians extremely wary of European intentions and has to some extent influenced their attitude even toward the U.S. Temperate crops thrive in the mild climate of the high plateaus. There is a large livestock population producing more meat than needed for indigenous consumption. Because of lack of modern slaughtering facilities and adequate transportation little is exported. Poor production methods and the absence of processing and grading standards makes the quality of coffee, hides and skins exported extremely poor. The favorable soil and climatic conditions make Ethiopia potentially a veritable"bread basket"for the food short Middle East. Excellent conditions for expansion of raw material production and a potentially large market for manufactured goods makes Ethiopia a natural complementary area to such states as Israel which import raw materials and export manufactured goods.

## 2. Program Objectives

Broaden educational base with emphasis on vocational agricultural subjects, to provide teachers, other technicians and administrators for future leadership; introduce improved methods of production, processing, and marketing of crops, through an efficiently organized extension service; eliminate or control locust and other agricultural pests; plan and demonstrate effective practices for conservation and use of water resources; introduce public health measures and develop a corps of trained health workers for service within Ethiopia; establish a favorable climate for investment by local and foreign capital and thereby encourage new enterprises.

## 3. Major Activities and Progress to Date

The agricultural development phase of the Cooperative Program for Ethiopia is centered in the establishment of an Agricultural and Mechanical Arts College. This is being established with the help of Oklahoma A & M (on a contract basis). This activity includes the operation of experimental farms, extension offices and the establishment of ancillary secondary vocational agriculture schools.

Assistance in education is centered on vocational instruction and teacher training. Vocational schools for boys and girls have been established.

Industrial and health surveys have been completed and provide the basis for the FY 1954 program in these fields.

## 4. Plans for FY 1954

The establishment of the agricultural college and its ancillary facilities will continue to be a major element in the cooperative program. This will include the development of secondary schools and an agricultural experimentation and extension program. The livestock improvement program, including rinderpest control, will be substantially accelerated.

In the field of education, teacher training will continue to be the main preoccupation; vocational and handicraft schools will be continued.

An action program in health and sanitation will be initiated, including the engineering surveys required to improve the water supply of Addis Ababa.

An industrial development service will be established in the Ministry of Commerce and Industry as a basic element to provide guidance for the country's industrial development.

The technical cooperation program for Eritrea planned in FY 1953, will be put into effect. It will concentrate in rural improvement in selected demonstration areas.

# ETHIOPIA

| GENERAL | 1938 | Present |
|---|---|---|
| Area : | 350,000 sq. mi. | |
| Population: | 12,000,000 | 15,000,000 |

| INTERNATIONAL TRADE | 1950 | 1951 |
|---|---|---|
| Total Exports: | 28 | 46 |
| Total Imports: | 29 | 41 |
| United States Trade | | |
| Exports to U.S. : | 3.5 | 3.3 |
| Imports from U.S.: | 3.5 | 3.1 |
| Principal Commodity Exports: | Coffee, oilseeds, hides and skins, cereals. | |

| PRICE INDEXES (1947 - 100) | 1950 | 1951 |
|---|---|---|
| Wholesale | 178 | 204 |
| Cost of Living | n.a. | n.a. |

| CENTRAL GOVERNMENT FINANCES | |
|---|---|
| Revenue: | n.a. |
| Expenditures: | n.a |

| INCOME AND PRODUCTION | 1949 |
|---|---|
| Per Capita Income | $40 |
| Agricultural Production Index | n.a. |

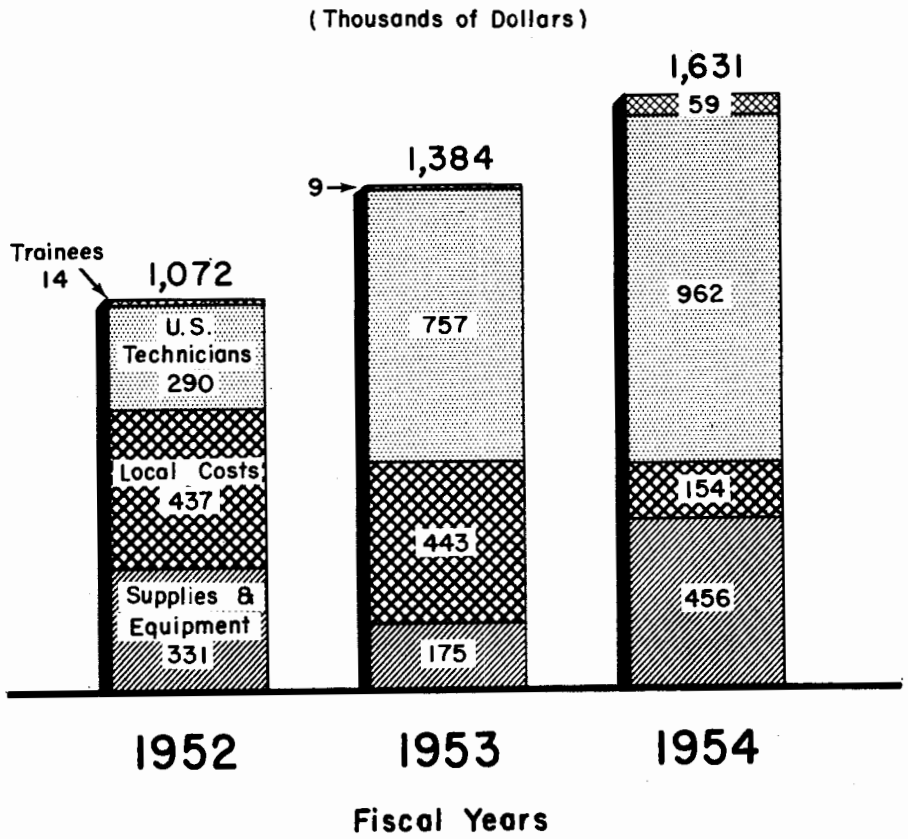
PROGRAM COST BY FIELD OF ACTIVITY
FY 1952-1953
(Thousand Dollars)

| Major Field of Activity | FY 52 | FY 53 |
|---|---|---|
| Agriculture, Forestry, Fisheries | 860 | 578 |
| Health and Sanitation | 3 | 116 |
| Education | 100 | 174 |
| Natural Resources | 82 | 115 |
| Industry and Trade | -- | 82 |
| Transportation & Communications | -- | 23 |
| Public Administration | -- | 54 |
| General Projects | -- | 212 |
| Domestic Program Costs | 27 | 30 |
| TOTAL | 1072 | 1384 |

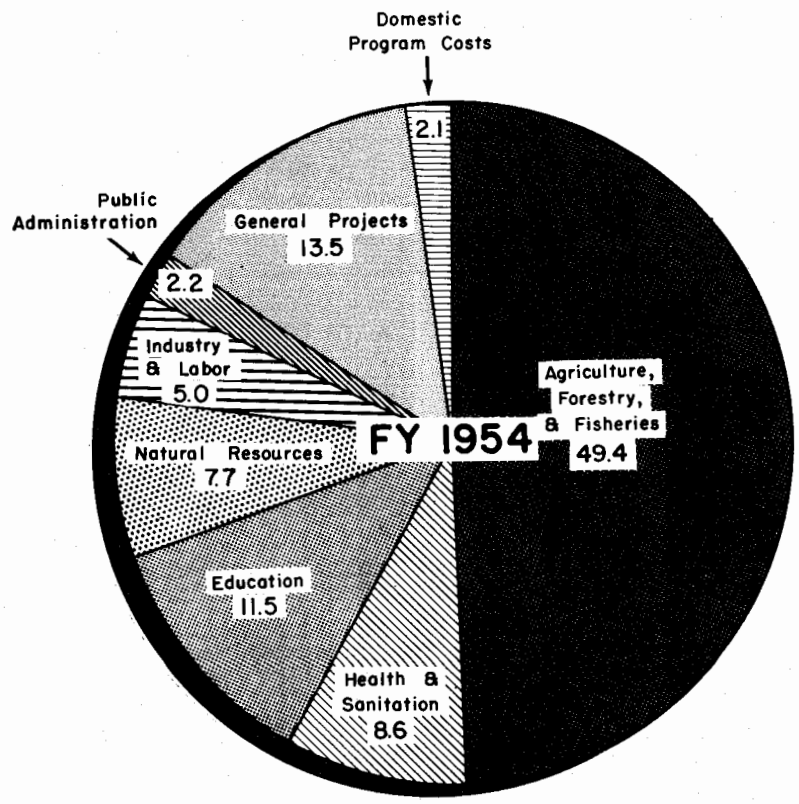
DISTRIBUTION OF COSTS FOR FY 1954
(Thousand Dollars)

| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 806 | 542 | -- | 140 | 124 |
| 141 | 77 | 12 | 52 | -- |
| 188 | 91 | 22 | 75 | -- |
| 125 | 77 | -- | 48 | -- |
| 82 | 26 | 11 | 39 | 6 |
| -- | -- | -- | -- | -- |
| 35 | 33 | -- | 2 | -- |
| 220 | 110 | -- | 100 | 10 |
| 34 | 6 | 14 | -- | 14 |
| 1631 | 962 | 59 | 456 | 154 |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# IRAN

1. General Situation

Eighty percent of Iran's population depends on agriculture, although only a fifth of the potentially arable land is farmed. Primitive agricultural tools and practices and wasteful use of limited water resources have left once-fertile lands unproductive. A large percentage of the population is blinded by trachoma and weakened by malaria and other diseases. The antiquated school system provides no practical training and leaves ninety percent of the people illiterate. The land-tenure system in large part ignores the peasants' welfare. Surplus private capital tends to go into real estate rather than industry. Iran's small industrial capacity has been only slowly developed, largely with public funds and oil revenues. The underlying economic and social problems result in social ferment and political unrest. The Communists have exploited these and the economic hardships resulting from the oil crisis to arouse popular resentment against the West. In the absence of oil revenues, Iran's programs of development in agriculture, health, education, industry and other fields have largely depended on the U.S. technical cooperation program during the last year.

2. Program Objectives

To improve the living standards of the Iranian people and to promote the country's social and political stability by encouraging and strengthening Iran's economic development efforts to increase food and other agricultural production; improve public health and sanitation to minimize endemic disease; improve and expand fundamental education in villages, and technical training for industrial development; develop industries and mining to increase employment and give better balance to the economy; improve marketing methods; and to encourage the growth of more stable and democratic institutions, including improved land-tenure for the peasants.

3. Major Activities and Progress to Date

The cooperative program in Iran has concentrated its major effort in a country-wide program of rural improvement. The major activities under this program include the development of an effective system of agricultural extension, including livestock improvement. In addition, experimental farms have been established to adapt and produce quality seeds for distribution to farmers. More than 200 extension agents are under training or have been trained. Artificial breeding centers have been established to introduce better cattle, mules, sheep, milk-goats and poultry. Wheat and other seed have been distributed to thousands of farmers, and outstanding progress has been made in developing sugar-beets superior to native varieties. In addition, a large-scale land redistribution program, involving purchase of Crown Lands by peasants, has been aided by the providing of technical supervision.

In the field of health and sanitation, a new Health Cooperative Service has been established in the Ministry of Health. In cooperation with the World Health Organization a nation-wide malaria control program has been carried out, resulting in protection of over 4 million people and reducing the incidence of malaria in some areas from 90% to below 10%. Health centers and mobile health units have been placed in operation, nurses and sanitarians have been trained, and sanitation conditions have been improved in many villages.

Over 1,500 school teachers, from schools all over Iran, have been trained, and many rural schools completed, repaired, or equipped.

4. Plans for FY 1954

The cooperative program for the coming year is fundamentally a projection of the past year. In the agricultural field, continued stress will be given to the development of extension services, and a new emphasis will be given to fisheries development. In health and sanitation, additional health centers and mobile health units will be established and staffed with additionally trained technicians. The new Health Cooperative in the Ministry of Health will be assisted to take on ever-increasing responsibility for public health programs of Iran. More school teachers will be trained, and more schools will be placed in shape to give better fundamental education and vocational training to increasing numbers of children and adults. Continued support will be given to Crownlands freeholders in establishing themselves as independent farmers, and a nation-wide program of technical assistance to village, township, county and provincial councils will be undertaken for the purpose of community development in agriculture, supervised farm credit, health, education, and rural transportation. Additional support will be given to the development of the beet-sugar industry to supply Iran's high priority need for sugar.

The limited technical cooperation program is not adequate to enable Iran to cope with the most pressing problems of economic development and Special Economic Aid funds are required to supplement the technical cooperation program with essential supplies and equipment in a total integrated program of at least $25 million, approximately the level of operations reached in fiscal years 1952 and 1953.

(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)

# IRAN

| GENERAL | 1938 | 1952 |
|---|---|---|
| Area : | 628,000 sq.mi. | |
| Population: | 16,200,000 | 19,140,000 |

| PRICE INDEXES (1948 - 100) | 1950 | 1952 |
|---|---|---|
| Wholesale: | 79 | 93 |
| | **1938** | **1952** |
| Cost of Living | 15 | 96 |

| INCOME AND PRODUCTION | 1938 | 1950 |
|---|---|---|
| Per Capita Income | $60 | $85 |
| Agricultural Production Index | n.a. | n.a. |

| INTERNATIONAL TRADE (Million Dollars) | 1938 | 1952 |
|---|---|---|
| Total Exports: | 156 | 132 |
| Total Imports: | 85 | 216 |
| United States Trade | | |
| Exports to U.S. : | 3.4 | 10.4 |
| Imports from U.S.: | 6.4 | 54.1 |
| Principal Commodity Exports: | Wheat, Barley, Rice dried fruits | |

| CENTRAL GOVERNMENT FINANCES (Million Dollars) | 1946/47 | 1949/50 |
|---|---|---|
| Revenues: | 180 | 239 |
| Expenditures: | 173 | 264 |
| Deficit: | 7 | - 25 |

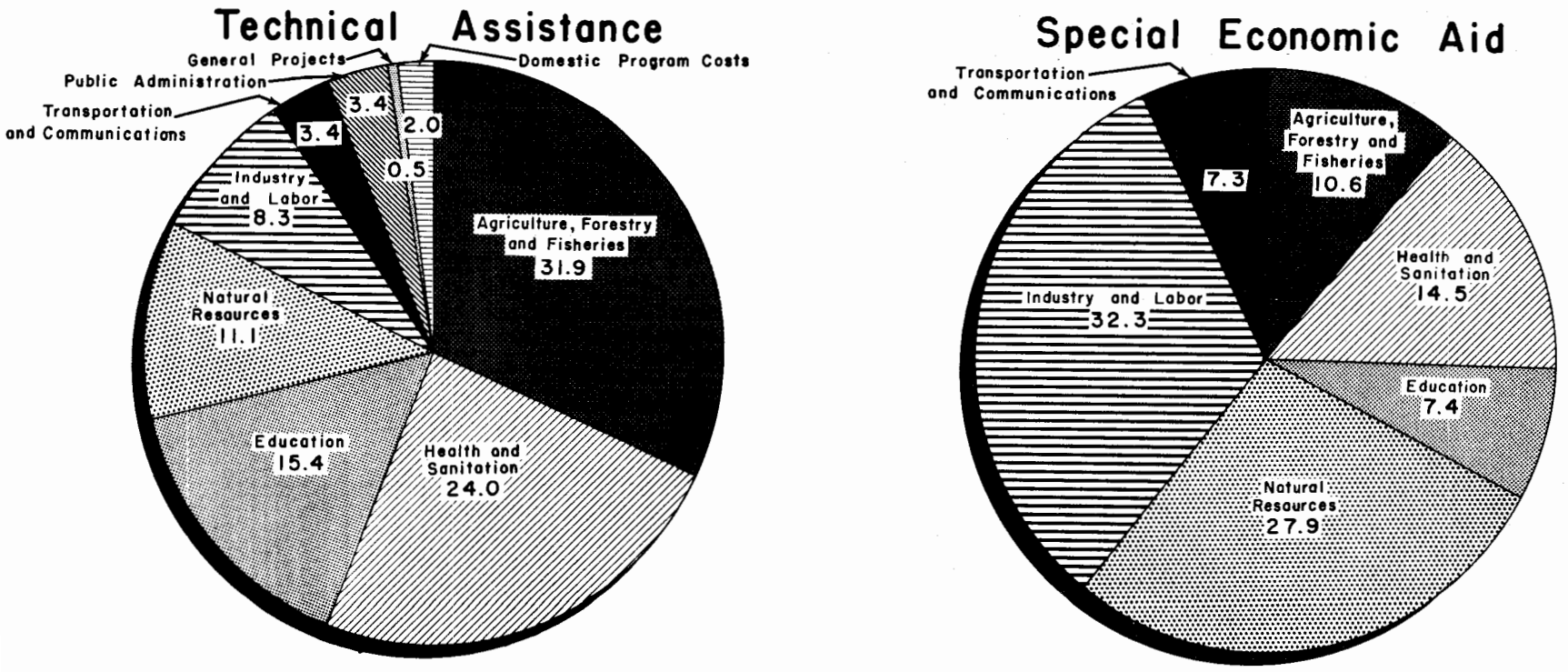
PROGRAM COST BY FIELD OF ACTIVITY
FY 1952-1953
(Thousand Dollars)

| Major Field of Activity | FY 52 | FY 53 |
|---|---|---|
| Agriculture, Forestry, Fisheries | 6048 | 3996 |
| Health and Sanitation | 8643 | 6193 |
| Education | 1886 | 2743 |
| Natural Resources | 457 | 861 |
| Industry and Trade | 3964 | 3028 |
| Transportation & Communications | 1565 | 985 |
| Public Administration | 114 | 1009 |
| General Projects | 525 | 3861 |
| Domestic Program Costs | 559 | 448 |
| TOTAL | 23761 | 23124 |

DISTRIBUTION OF COSTS FOR FY 1954
(In thousands of dollars)
ACT FOR INTERNATIONAL DEVELOPMENT

| Total | Technicians | Trainees | Sup. & Equip. | Local Costs | Special Econ. Aid |
|---|---|---|---|---|---|
| 4436 | 1037 | 75 | 952 | 2372 | 1170 |
| 3341 | 680 | 85 | 1101 | 1475 | 1600 |
| 2135 | 491 | 35 | 340 | 1269 | 815 |
| 1547 | 206 | 70 | 367 | 904 | 3065 |
| 1154 | 375 | 80 | 74 | 625 | 3550 |
| 472 | 151 | 45 | 165 | 111 | 800 |
| 476 | 55 | 10 | 70 | 341 | — |
| 70 | 22 | — | 10 | 38 | — |
| 276 | 47 | 113 | — | 116 | — |
| 13907 | 3064 | 513 | 3079 | 7251 | 11000 |

## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY, FY 1954




(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)

# IRAQ

1. General Situation:

Iraq has been a land coveted, attacked, and repeatedly conquered from time immemorial. With its newly discovered oil resources and its potentially great agricultural wealth, it is an even more tempting prize. It is traversed from northwest to southeast by two great rivers, the Tigris and the Euphrates, watering broad, rich valleys of alluvial soil. Some 80 percent of the 5 million population derives its livelihood from the soil, with most of them working as sharecroppers for wealthy landlords. The remainder of the population lives in the cities, dependent largely on trade and commerce. Of the total land area of Iraq, about two-thirds is desert and only about one-fifth is arable - but this portion could produce many times its present output. Of these arable lands, only about one-fourth is under cultivation in any one year. The 4 million rural people are nearly all tied to the land in a system of tenancy, receiving not more than two-fifths to half of the crops they produce. They are untrained in agricultural techniques, have little or no opportunity to acquire lands of their own, and suffer from malaria, bibarzia, trachoma and other debilitating diseases. Eighty percent or more are illiterate.

Iraq has substantial oil resources and the oil industry provides employment for some 12,000 people. Other industrial employment is negligible.

The possibilities of developing a better standard of living for the people of Iraq are excellent. Its potentially cultivable lands are at least triple the extent of those being used; and its population is small relative to this arable area. The Government is using its oil revenues to construct dams for water storage, for irrigation and flood control; and hydroelectric power will eventually be available for new industries. New schools, hospitals, and highways are to be built; and the railroads and port of Bagra are being improved. Old irrigation systems are being rehabilitated and public lands are being reclaimed for the resettlement of peasant farmers on their own farms. The success of Iraq's effort will depend to a great extent on the effectiveness of the technical cooperation programs, which have accordingly been given a high degree of importance by the Iraq government. It further realizes that organizational "know-how" is as important as technical skills, so that organisational and administrative assistance has also been requested.

2. Program Objectives:

To increase agricultural knowledge and skills through extension and demonstration work on seeds, irrigation, improved stock, range management, farm tools and machinery; to multiply educational facilities -- primary, secondary, and technical -- through teacher training; to plan programs; to demonstrate methods and action procedures to make effective the Government's program of land resettlement and reclamation, including the necessary irrigation and credit facilities and tenure arrangement; to control or eradicate locusts and other crop pests; to attract local and foreign capital; to establish appropriate health programs in selected areas; to attack fundamental problem of child and maternal health; to organize governmental program for social welfare services; to work with appropriate Ministries in planning public works projects for improving Iraq's public facilities.

3. Major Activities and Progress to Date:

In the field of agriculture a national extension service was planned and established; training schools for local extension workers were established; crop improvement experiments were initiated on tobacco, cotton, pasture, and sugar cane; a national agricultural college was established with University of Arizona direction and advice.

In the field of health and sanitation a maternal and child health center was planned and established. This unit is advising and aiding hundreds of children and expectant mothers every month.

In the field of natural resource development, qualified engineers are actively engaged in developing plans for dam construction and irrigation development. Construction contracts have been let by the Government for several large projects.

4. Plans for Fiscal Year 1954:

Field of agriculture — continuation of the program of extension, experimentation and education.

Field of health and sanitation -- continuation and strengthening of the program in child health, health demonstration and advisory services.

Field of education -- establishment of a national technical training institute; cooperation in elementary education.

Field of natural resources -- continuation of overall water resources engineering; establishment of demonstration and teaching projects in water use.

Field of rural improvement -- establishment of two teams for demonstration in improved rural living.

Field of rural resettlement -- resettlement of farmers on government-owned land, and training programs in land use and better farming methods.

Field of transportation -- continuation of engineering services on highway program.

Development Board -- continuation of the system whereby U.S. technicians are assigned to key staff positions to assist in planning and implementation of the Board's program.

# IRAQ

| GENERAL | 1950 |
|---|---|
| Area: | 168,000 square miles |
| Population: | 5,100,000 |

| PRICE INDEXES | 1938 | 1951 |
|---|---|---|
| Wholesale: (1948 - 100) | 22 | 112 |
| Cost of Living: (1949 - 100) | 19 | 98 |

| INCOME AND PRODUCTION | 1938 | 1951 |
|---|---|---|
| Per Capita Income | $55 | $85 |
| Agricultural Production Index-- | | — |

| INTERNATIONAL TRADE | 1938 | 1951 |
|---|---|---|
| Total Exports: ($ Millions) | 65 | 186 |
| Total Imports: ($ Millions) | 46 | 143 |
| United States Trade($ Millions) | | |
| Exports to U.S.: | 2.7 | 2.5 |
| Imports from U.S.: | 4.2 | 19.8 |
| Principal Commodity Exports: | | |
| Dates | | |
| Barley | | |
| Wheat | | |

| CENTRAL GOVERNMENT FINANCES | 1949/50 |
|---|---|
| Revenue: | 75.6 |
| Expenditures | 80.9 |
| National Defense | 20.4 |
| Other | 60.5 |
| Deficit | 5.3 |

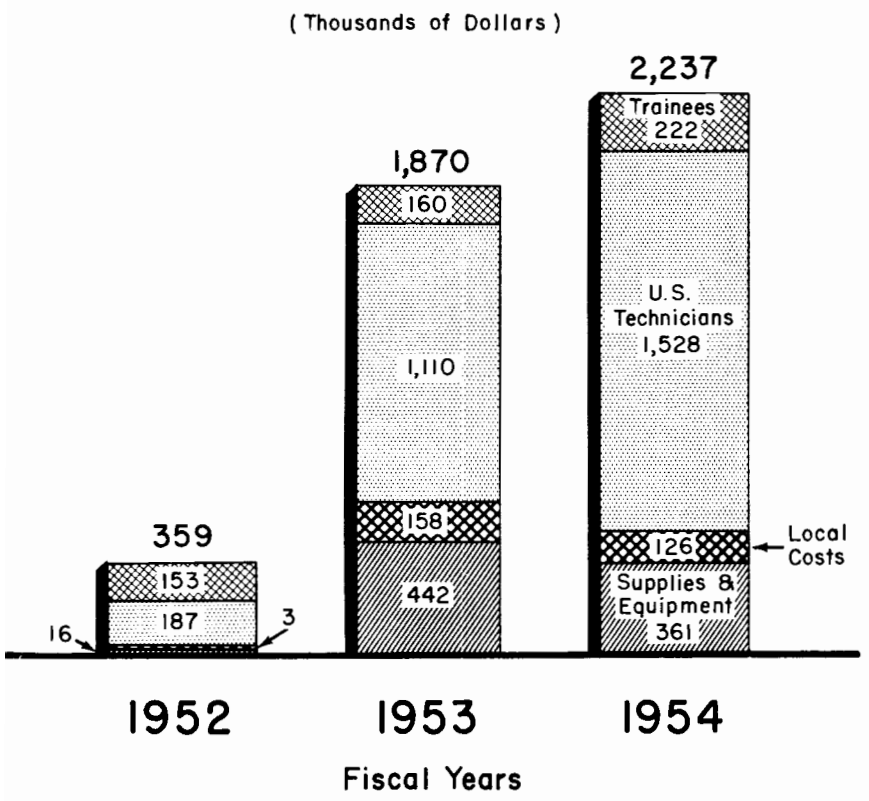
PROGRAM COST BY FIELD OF ACTIVITY
FY 1952-1953
(Thousand Dollars)

| Major Field of Activity | FY 52 | FY 53 |
|---|---|---|
| Agriculture, Forestry & Fish. | 110 | 423 |
| Health & Sanitation | 63 | 199 |
| Education | 45 | 284 |
| Natural Resources | 94 | 174 |
| Industry & Trade | 8 | 109 |
| Transportation & Communications | 2 | 202 |
| Public Administration | 28 | 46 |
| General Projects | — | 393 |
| Domestic Program Costs | 9 | 40 |
| TOTAL | 359 | 1870 |

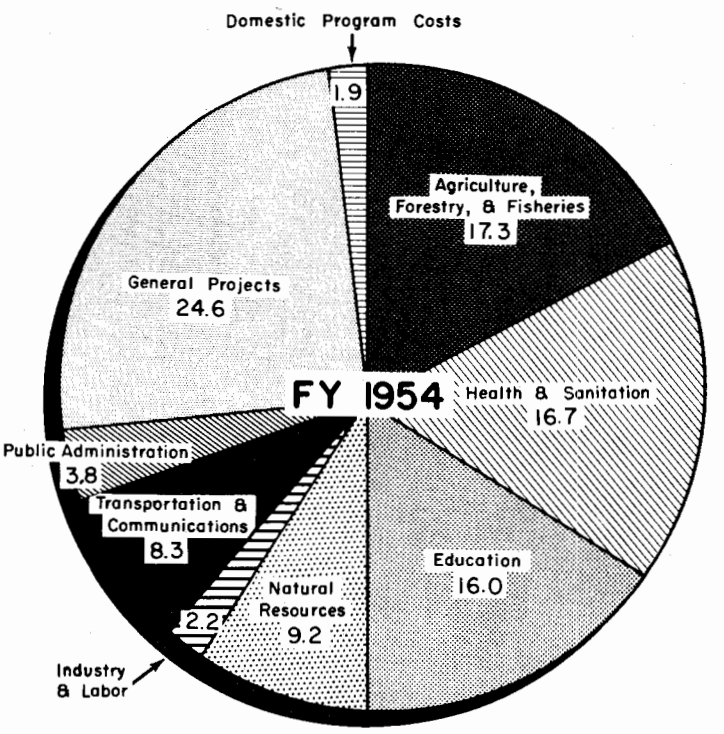
DISTRIBUTION OF COSTS FOR FY 1954
(Thousand Dollars)

| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 387 | 228 | 36 | 95 | 28 |
| 373 | 187 | 36 | 85 | 65 |
| 359 | 176 | 32 | 95 | 56 |
| 205 | 132 | 20 | 6 | 47 |
| 49 | 22 | 4 | 10 | 13 |
| 186 | 75 | 16 | 10 | 85 |
| 84 | 33 | 24 | 10 | 17 |
| 551 | 319 | 36 | 50 | 146 |
| 43 | 7 | 18 | -- | 18 |
| 2237 | 1179 | 222 | 361 | 475 |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# ISRAEL

1. General Situation

Israel is a country about the size of New Jersey possessing but meager known resources. Cultivable land is limited to approximately 1,310,000 acres. Water is generally scarce and poorly distributed, 60% of the country being desert or semi-arid. Mineral resources proved to date are of limited quality and quantity -- potash being the major exception. The population, half of which has immigrated since 1948, is drawn from numerous different countries and varying cultures. About 80% of adult immigrants are unskilled. The effort to assimilate this huge influx of unskilled refugees while attempting to maintain minimum acceptable living standards has increased the need for imports while export earnings have remained at nearly the same level. The expansion of food production depends upon the extension of irrigation systems and settling people previously untrained in agriculture on the land. Industrial development is handicapped by lack of materials and the high cost and low productivity of labor.

2. Program Objectives

The objectives of the program are to increase agricultural production through improving methods and crops, training the unskilled farm population, and expanding irrigation; aid in education and training of immigrants in productive skills; determine the extent of mineral and water resources and assist in their exploitation; coordinate and develop transportation network and port facilities and expand communication and power facilities; provide assistance and training in health and sanitation; and improve skills of governmental workers.

3. Major Activities and Progress to Date

The vocational training of immigrants to facilitate their integration through productive employment is a major activity of the TCA program. Guidance has been provided in the establishment of standards for apprenticeship training and in the initiation of in-service training courses in industry. Six new training centers capable of accommodating 600 students are being set up. An expert in vocational training is conducting courses to increase the proficiency of Israeli instructors.

Two principal activities are being undertaken to achieve the program objective of increased food production. Assistance is being given in irrigation in order to increase the area which can be brought under cultivation. An irrigation engineer is working with Israel Government officials reviewing the adequacy and feasibility of existing plans and advising on the extension of irrigation systems. A second major activity is directed towards improving agricultural methods. A team of five technicians is now in the field assisting the organization of agricultural education programs, advising on the development of an extension service, studying and making recommendations for the improvement of land utilization and crop production methods, and advising on the control of various prevalent animal diseases.

4. Plans for FY 1954

Increased emphasis will be given to the efforts to increase food production. Present activities will be continued and expanded. In order to provide guidance to a farm population largely lacking in experience and facilitate the settling of additional immigrants on the land, assistance will be given to the operation of demonstration farms and to the promotion of an extension system. A project will be initiated in range development. Guidance will be given in methods of brush clearance from presently unutilized or undergrazed grass lands. Advice will be given on improved breeding of livestock and disease control in animals. Continued assistance will be given to the utilization and exploitation of water resources and to irrigation methods.

The vocational training program will be continued. Assistance will be given in the introduction of shop trades and home economics courses in elementary schools to provide valuable pre-training in industrial crafts.

5. It is planned that Israel will participate in the special economic assistance "package" program described in another section of this appropriation request. An illustrative program ranging from $55 to $70 million has been developed details of which are contained in separate classified documents.

**(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)**

# ISRAEL

| GENERAL | | |
|---|---|---|
| | 1950 | 1951 |
| Area : | 8,000 sq. mi. | |
| Population: | 1,370,000 | 1,577,000 |

| PRICE INDEXES (1948 = 100) | | |
|---|---|---|
| | 1950 | 1951 |
| Wholesale: | 83 | 91 |
| Cost of Living: | 95 | 104 |

| INCOME AND PRODUCTION | |
|---|---|
| | 1950 |
| Per Capita Income | $720 |
| Agricultural Production Index | n.a. |

| INTERNATIONAL TRADE (Million Dollars) | | |
|---|---|---|
| | 1950 | 1951 |
| Total Exports: | 36.9 | 47.6 |
| Total Imports: | 287.3 | 343.2 |
| United States Trade | | |
| Exports to U.S. : | 8 | 10 |
| Imports from U.S.: | 105 | 109 |
| Principal Commodity Exports: | Citrus fruits and processed diamonds. | |

| CENTRAL GOVERNMENT FINANCES (Million Dollars) | |
|---|---|
| | 1950/51 |
| Revenues: | 420 |
| Expenditures: | 420 |
| Deficit: | -0- |

PROGRAM COST BY FIELD OF ACTIVITY
FY 1952-1953
(Thousand Dollars)

| Major Field of Activity | FY 52 | FY 53 |
|---|---|---|
| Agriculture, Forestry, Fisheries | 33 | 419 |
| Health and Sanitation | 18 | 317 |
| Education | 540 | 341 |
| Natural Resources | 54 | 220 |
| Industry and Trade | 124 | 316 |
| Transportation & Communications | 37 | 124 |
| Public Administration | — | 224 |
| General Projects | 2 | 459 |
| Domestic Program Costs | 27 | 50 |
| TOTAL AID | 835 | 2,470 |
| Special Economic Aid | 63,500 | 70,228 |

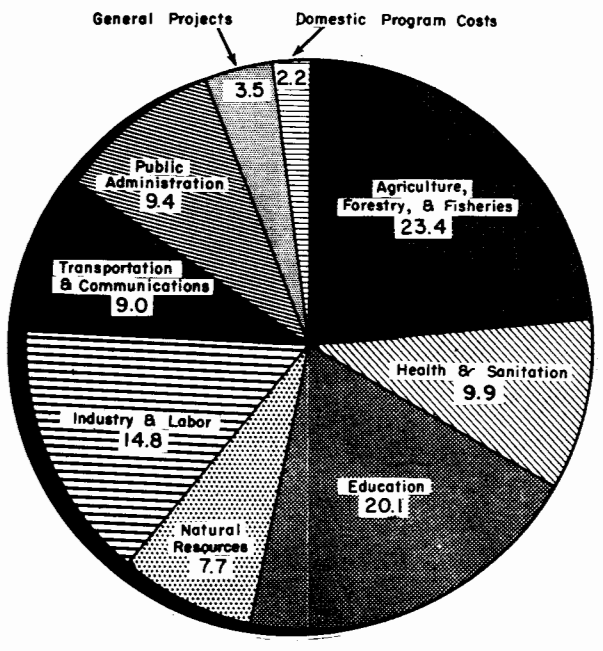
DISTRIBUTION OF COSTS FOR FY 1954
(Thousand Dollars)

| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 356 | 143 | 30 | 183 | — |
| 151 | 81 | 40 | 30 | — |
| 306 | 132 | 37 | 137 | — |
| 117 | 66 | 22 | 29 | — |
| 225 | 177 | 34 | 14 | — |
| 137 | 99 | 21 | 17 | — |
| 142 | 108 | 18 | 16 | — |
| 53 | 33 | — | 20 | — |
| 34 | 6 | 14 | — | 14 |
| 1,521 | 845 | 216 | 446 | 14 |

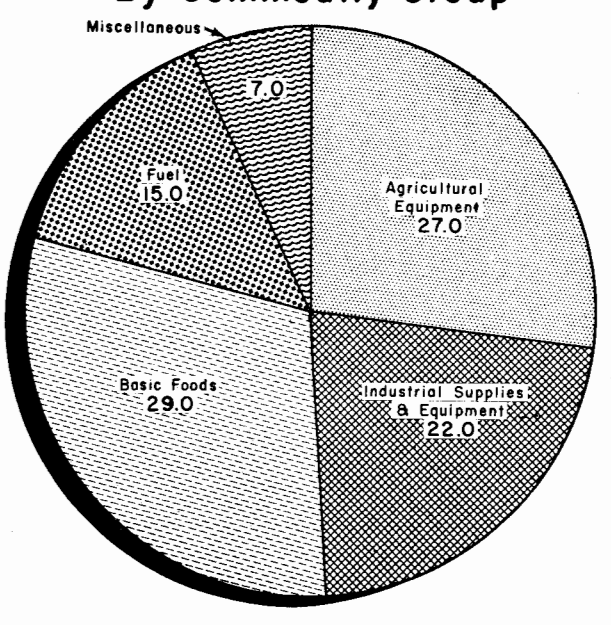
For 1954 included in proposed regional "package" program. Range $55,000 - $70,000.

## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY, FY 1954

### Technical Assistance




### Special Economic Aid By Commodity Group




(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)

# JORDAN

1. General Situation

Jordan is a country unbelievably poor. Ninety percent of the country is desert. Useful lands stand idle for lack of water. Mineral resources are few, non-metallic, bulky, far from markets and isolated by lack of transportation facilities. The people are for the most part poor, illiterate and unskilled. One-half million Palestine refugees have intensified problems of unemployment and underemployment. Three-fourths of the population is dependent on subsidies of the UNRWA. Investment capital is unavailable and usurious credit practices are common. Jordan's needs are staggering: food, employment opportunities, basic health and education services, transportation and communication facilities. Her potentials for development are chiefly the will of the people and their Government to make the effort, the waters of the Yarmouk and the Jordan Rivers for increased food production and power, and the underdeveloped mineral resources.

2. Program Objectives

Increase food production to improve nutrition, reduce periodic need for food imports and increase the farmer's income. Develop small industries and mining, thereby increasing opportunities for employment. Improve marketing techniques. Develop essential transportation and communication systems. Establish agricultural credit facilities. Increase educational opportunities in the vocational and rural fields, thereby increasing the productive efficiency of both urban and rural workers. Improve health and sanitation conditions by controlling disease and providing sanitary water supply, thus increasing the productive capacity of the country.

3. Major Activities and Progress to Date

In the past year a closely knit system of cooperation has been created by the establishment within the framework of the Jordanian Government of joint U. S. - Jordanian departments supervised by U. S. technicians.

U. S. engineers have outlined a master plan for using the waters of the Yarmouk and Jordan Rivers for the irrigation of 160,000 acres of land in the Jordan Valley.

A water spreading demonstration has shown nomadic Bedouins how grass can be grown on the desert.

The first teachers' college for women in Jordan was opened, and plans completed for a similar college for men.

4. Plans for Major Activities of FY 1954

During 1954 the activities of the Cooperative Departments begun in 1953 will be continued.

Complete plans for the Jordan valley irrigation project will be prepared by U.S. engineers.

An agricultural extension program providing advice to farmers in outlying villages on improved cultivation, seeds, pest control, and soil conservation will be initiated.

U. S. technicians will direct and instruct Jordanians in the operation of a new national health laboratory.

A demonstration of modern credit practices for small agricultural and manufacturing enterprises will be conducted.

5. It is planned that Jordan will participate in the special economic assistance "package" program described in another section of the appropriation request. An illustrative program ranging from $16.7 millions to $18.7 millions has been developed, details of which are contained in separate classified documents.

(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)

# JORDAN

| GENERAL | 1938 | 1951 |
|---|---|---|
| Area : | 35,000 sq. mi. | |
| Population: | 300,000 | 1,320,000 |

| PRICE INDEXES | |
|---|---|
| Wholesale: | n.a. |
| Cost of Living: | n.a. |

| INCOME AND PRODUCTION | 1950 |
|---|---|
| Per Capita Income | $98 |
| Index of Agricultural production: | n.a. |

| INTERNATIONAL TRADE (Million Dollars) | 1938 | 1951 |
|---|---|---|
| Total Exports: | 2.8 | 4.6 |
| Total Imports: | 6.4 | 43.9 |
| United States Trade | | |
| Exports to U.S. : | n.a. | n.a. |
| Imports from U.S.: | n.a. | 3.1 |
| Principal Commodity Exports: | vegetables, fruit wheat | |

| CENTRAL GOVERNMENT FINANCES (Million Dollars) | 1949/50 | 1950/51 |
|---|---|---|
| Revenues: | 22.1 | 28.8 |
| Expenditures: | 22.1 | 32.5 |
| Deficit | — | 3.7 |

PROGRAM COST BY FIELD OF ACTIVITY
FY 1952-1953
(Thousand Dollars)

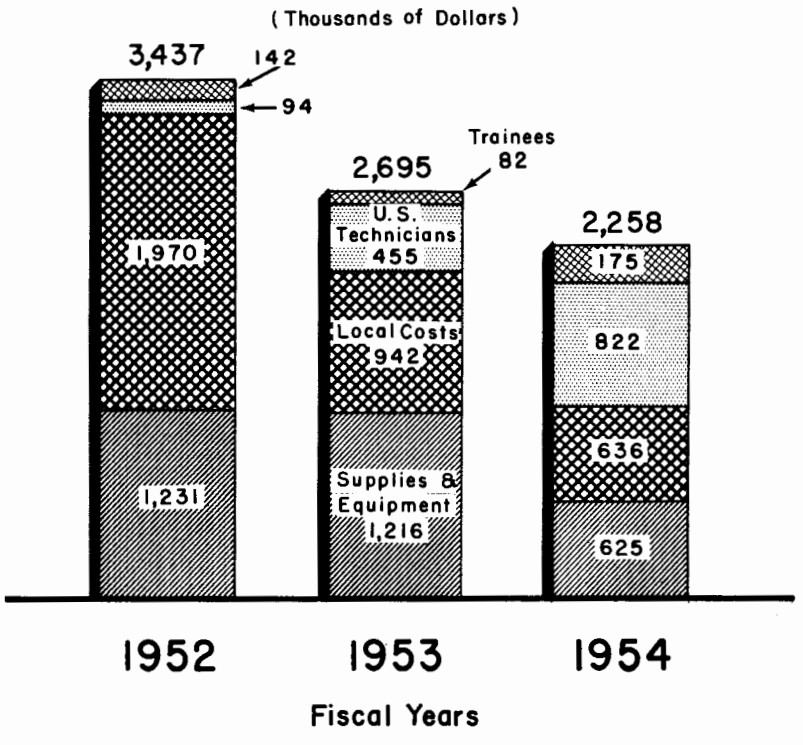
| Major Field of Activity | FY 52 | FY 53 |
|---|---|---|
| Agriculture, Forestry, Fisheries | 388 | 648 |
| Health and Sanitation | 392 | 302 |
| Education | 441 | 405 |
| Natural Resources | 1449 | 725 |
| Industry and Trade | 210 | 234 |
| Transportation & Communications | 320 | 119 |
| Public Administration | 55 | 207 |
| General Projects | 100 | -- |
| Domestic Program Costs | 82 | 55 |
| Total AID | 3437 | 2695 |
| Special Economic Aid | 1264 | — |

DISTRIBUTION OF COSTS FOR FY 1954
(In thousands of dollars)

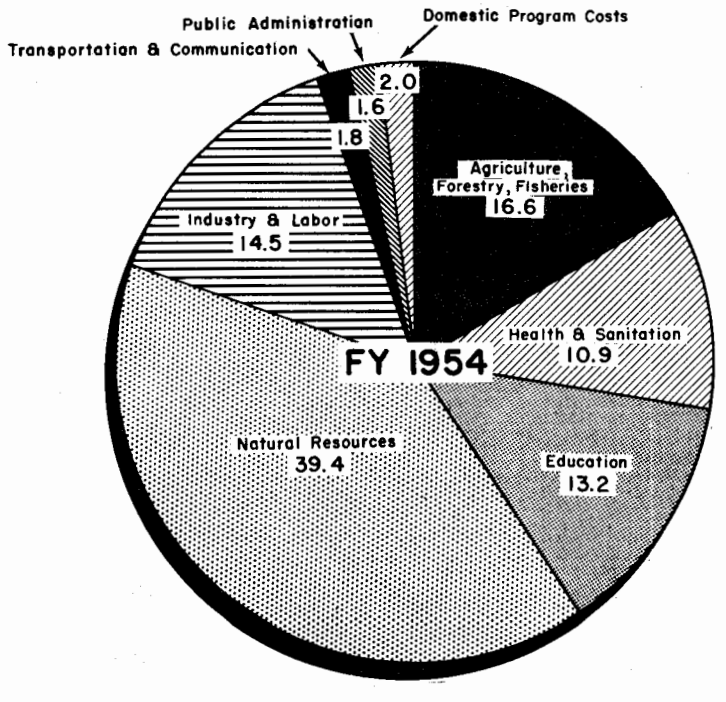
| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 375 | 165 | 18 | 86 | 106 |
| 246 | 99 | 40 | 19 | 88 |
| 299 | 77 | 18 | 105 | 99 |
| 890 | 311 | 36 | 302 | 241 |
| 327 | 111 | 36 | 111 | 69 |
| 40 | 22 | 4 | 1 | 13 |
| 36 | 22 | — | 1 | 13 |
| -- | -- | -- | -- | -- |
| 45 | 15 | 23 | — | 7 |
| 2258 | 822 | 175 | 625 | 636 |

For FY 1954 included in proposed regional "package" program. Range $16,700 - $18,700.

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY




(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)

# LEBANON

1. General Situation

Lebanon is a small country with a population of 1,285,000, including 125,000 Palestinian refugees. About 40% of the inhabitants live in cities and towns which are primarily commercial centers along the coast. Of the working population, an estimated 50% is directly or indirectly engaged in agriculture; small industry employs roughly 40,000 persons; and another 40,000 are chronically unemployed.

Agriculture is characterized by low productivity because of poor land, lack of rainfall, antiquated farming methods and destructive land-use practices. These factors cause rural-village poverty, unrest in rural areas and mass migrations to cities. Life in the cities is characterized by submarginal wages, unemployment, slums and general poverty.

The major factor hindering economic development in Lebanon, aside from the lack of natural resources, is the lack of reasonable credit facilities for agriculture and industry. Despite these handicaps and the increasing population pressure, hope lies in harnessing the major natural resource in Lebanon, the Litani River, for irrigation and power; constructing irrigation and village water systems; and undertaking a program to eradicate the present deficiencies in health and education.

2. Program Objectives

a. Increase crop production through extension, research, and demonstration of approved agricultural, distributive and marketing practices. Improve animal breeding, management, and health through demonstration of modern techniques of animal husbandry.
b. Determine the water and power potential of the Litani and other river basins and assist the Lebanese in preparing development plans.
c. Standardize and extend a nationwide system of compulsory, free primary education, and expand teacher and vocational training.
d. Extend public health and preventive services to selected rural areas on a demonstration basis, and environmental -sanitation programs.

3. Major Activities and Progress To Date

A reconnaissance survey started in 1952 on the Litani has been completed. Local engineers and skilled labor are being trained on the job. The final report on the development plan for hydro-electric power and irrigation will be complete in September 1953. Ground water investigations are being continued and new wells have been drilled for approximately 20 villages.

A health center has been established in the Bekaa Valley serving some 60,000 people. Villagers in this area are cooperating in adopting sanitary health practices. A public health laboratory is being established. Five Lebanese trainees have been brought to the United States to study public health practices.

A Rural Development program, based on village community life, has been started in the Kasmie area (along the coast between Sidon and Tyre). Here the irrigation canals are being completed, and the villagers in this area and U.S. technicians are initiating projects in agriculture, health, elementary and vocational education and village industry. New water holes have provided a source of supply non-existent before.

4. Plans for FY 1954

The program in FY 1954 will complete the Litani River Basin investigations and the investigation of domestic water supplies, irrigation possibilities in the Bekaa Valley and other areas.

Demonstration work on health-center operations will continue. Other projects will provide sanitary engineering advisory services to some municipal areas; expand demonstration school of nursing to introduce modern nursing techniques; continue rural development in Kasmie, Jebel Amel, and initiate a project in North Lebanon for the same purpose. Each involves area-wide demonstration of improved methods in agriculture, health, educational, occupational and vocational instruction; training of Lebanese leaders and workers for industry and agriculture.

5. It is planned that Lebanon will participate in the special economic assistance "package" program. An illustrative program ranging from $4,500,000 to $5,000,000 has been developed, details of which are contained in separate classified documents.

(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)

# LEBANON

| GENERAL | | |
|---|---|---|
| | 1938 | 1951 |
| Area : | 4,000 sq. mi. | |
| Population: | 925,000 | 1,285,000 |

| PRICE INDEXES (1948 - 100) | | |
|---|---|---|
| | 1938 | 1951 |
| Wholesale: | n.a. | 96 |
| Cost of Living | 20 | 94 |

| INCOME AND PRODUCTION | | |
|---|---|---|
| | 1938 | 1950 |
| Per Capita Income | $70 | $125 |
| Agricultural Production Index | n.a. | n.a. |

| INTERNATIONAL TRADE (Million Dollars) | | |
|---|---|---|
| | 1938 | 1951 |
| Total Exports: | 18.3 | 21.5 |
| Total Imports: | 38.0 | 66.0 |
| United States Trade | | |
| Exports to U.S. : | 2.0 | 5.6 |
| Imports from U.S.: | 3.6 | 12.6 |
| Principal Commodity Exports: | Gold coins, wool, | |

| CENTRAL GOVERNMENT FINANCES (Million Dollars) | | |
|---|---|---|
| | 1949 | 1951 |
| Revenues: | 25 | 29 |
| Expenditures: | 25 | 29 |
| Deficit: | — | — |

PROGRAM COST BY FIELD OF ACTIVITY
FY 1952-1953
(Thousand Dollars)

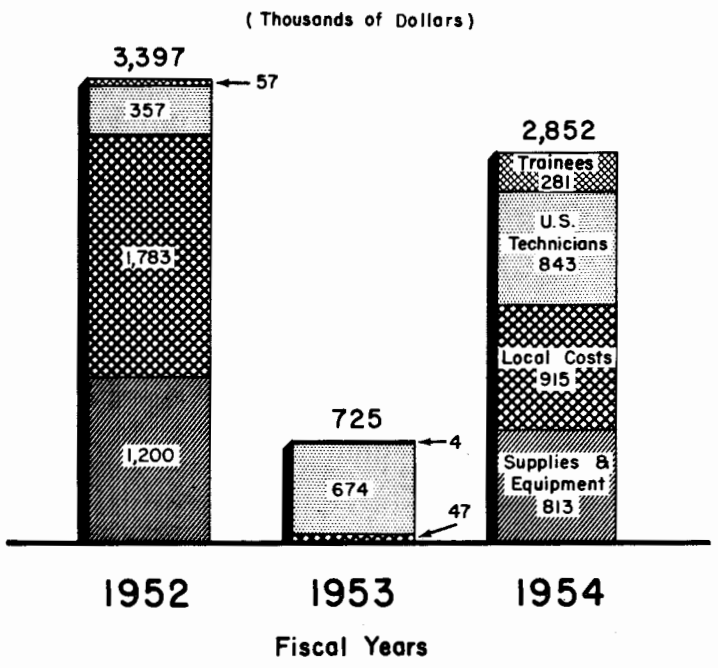
| Major Field of Activity | FY 52 | FY 53 |
|---|---|---|
| Agriculture, Forestry, Fisheries | 731 | 176 |
| Health and Sanitation | 339 | 120 |
| Education | 224 | 56 |
| Natural Resources | 1765 | 297 |
| Industry and Trade | 104 | 15 |
| Transportation & Communications | 36 | — |
| Public Administration | 109 | — |
| General Projects | 7 | 41 |
| Domestic Program Costs | 82 | 20 |
| Total AID | 3397 | 725 |
| Special Economic Aid | — | -- |

DISTRIBUTION OF COSTS FOR FY 1954
(Thousand Dollars)

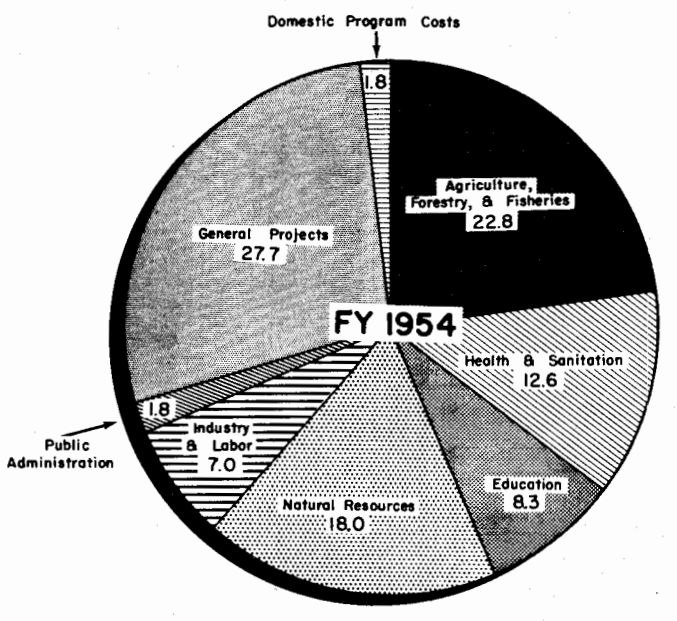
| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 650 | 168 | 100 | 337 | 45 |
| 360 | 145 | 70 | 57 | 88 |
| 236 | 171 | 30 | 27 | 8 |
| 514 | 304 | 25 | 32 | 153 |
| 200 | 20 | 35 | 130 | 15 |
| -- | -- | — | -- | -- |
| 50 | -- | -- | 30 | 20 |
| 790 | 26 | — | 200 | 564 |
| 52 | 9 | 21 | — | 22 |
| 2852 | 843 | 281 | 813 | 915 |

For FY 54 included in proposed regional "package" program. Range $4,500 - $5,000.

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY




(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)

# LIBERIA

## 1. General Situation

Liberia, established under American philanthropic sponsorship as an African home for freed American slaves, is about the size of Kentucky, with a population between 1,000,000 and 1,500,000. The principal exports are rubber, iron ore, palm kernels, palm oil and piassava. Firestone established a rubber plantation there in 1926. There are now about 100,000 acres of rubber of which 20,000 are Liberian owned. The U.S. Government built Roberts Field airport during World War II and started construction of a harbor at Monrovia with Lend-Lease funds. The harbor made profitable the development of iron deposits which an American company is now working, with annual exports of about 1,250,000 tons of ore. Liberia continues to welcome foreign investment, particularly American, on generous concession terms.

Except for its exports, the Liberian economy is essentially of a primitive subsistence character. The diet is deficient in protein; native housing is of the palm-thatched mud hut type; and 95% of the population is illiterate. More than one-third of the country is covered with virgin tropical forest, almost completely unexploited.

## 2. Program Objectives

The U.S. Government has provided technical assistance to Liberia on a modest scale since 1944. Liberia sets aside a minimum of 20% of its total government revenues to finance its share of technical assistance requested from the U.S. Capital development projects - roads, water works, sewerage system - now under construction with U.S. technical aid, are being financed by Export-Import Bank loans and Liberian revenues. The objectives of the technical cooperation program is to increase food supply; expand timber production and processing; increase productivity by improving health conditions, and vocational and on-the-job training. Additional program objectives are to develop and apply better land-use practices; extend th road program to areas now inaccessible and train Liberians in road building and maintenance, and to improve the functioning of Government by developing greater administrative skills and efficiency. This will create a better climate for private investment.

## 3. Major Activities and Progress to Date

Major emphasis has been placed in Liberia on measures to improve agriculture and certain basic natural resources and preliminary efforts have been directed toward introducing a more healthful environment. An aerial photography and magnetometer survey has been completed, five forest nurseries have been established and assistance has been provided to prospective foreign investors in selecting sites for planting cacao, bananas and coffee.

A beginning has been made on a malaria control program; swamp filling and drainage work is underway, health research has begun in the Liberia Institute of Tropical Medicine, and the nurses aid education has been improved and expanded.

## 4. Plans for FY 1954

The program for 1954 involves a continuation of activities already underway, (including the extension and soil conservation programs, the health and sanitation work, and the continued development of natural resources.)

In addition, swamp areas will be selected for rice planting, and pilot operations to demonstrate rural health practices will come into full swing. Coincident with the selection of areas for rice planting, road locations will be made, utilizing data developed by the aerial surveys and ground geology studies already underway. Some 75 fresh water ponds will be constructed and stocked with edible fish as a demonstration.

Advisory services on government organization and management will be continued.

The educational phase of the program will be expanded to include teacher training and school facility development for rural areas.

# LIBERIA

| GENERAL | | |
|---|---|---|
| | 1938 | 1951 |
| Area : | 43,000 sq. mi. | |
| Population: | 1,510,000 | 1,648,000 |

| PRICE INDEXES | |
|---|---|
| Wholesale : | n.a. |
| Cost of Living: | n.a. |

| INCOME AND PRODUCTION | 1950 |
|---|---|
| Per Capita Income | $40 |
| Agricultural Production Index | n.a. |

| INTERNATIONAL TRADE (Million Dollars) | 1938 | 1951 |
|---|---|---|
| Total Exports: | 1.9 | 51.2 |
| Total Imports: | 2.2 | 17.3 |
| United States Trade | | |
| Exports to U.S. : | 1.0 | 46.9 |
| Imports from U.S.: | .9 | 11.8 |

Principal Commodity Exports: Rubber, palm kernels.

| CENTRAL GOVERNMENT FINANCES (Million Dollars) | 1946 | 1951 |
|---|---|---|
| Revenues: | 2.3 | 5.0 |
| Expenditures: | 2.3 | 3.6 |
| Deficit: | 0 | +1.4 |

PROGRAM COST BY FIELD OF ACTIVITY
FY 1952 - 1953
(Thousand Dollars)

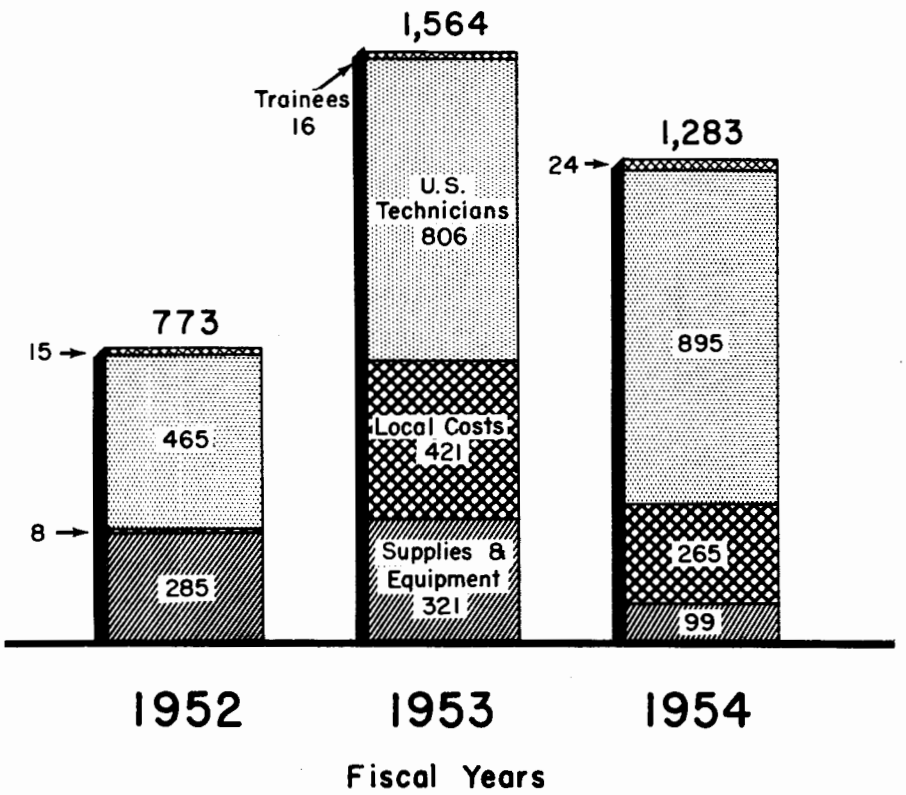
| Major Field of Activity | FY 52 | FY 53 |
|---|---|---|
| Agriculture, Forestry, Fisheries | 215 | 270 |
| Health and Sanitation | 217 | 486 |
| Education | 94 | 170 |
| Natural Resources | 126 | 421 |
| Industry and Trade | — | — |
| Transportation & Communications | 85 | 145 |
| Public Administration | 7 | 42 |
| General Projects | 2 | — |
| Domestic Program Costs | 27 | 30 |
| TOTAL | 773 | 1,564 |

DISTRIBUTION OF COSTS FOR FY 1954
(Thousand Dollars)

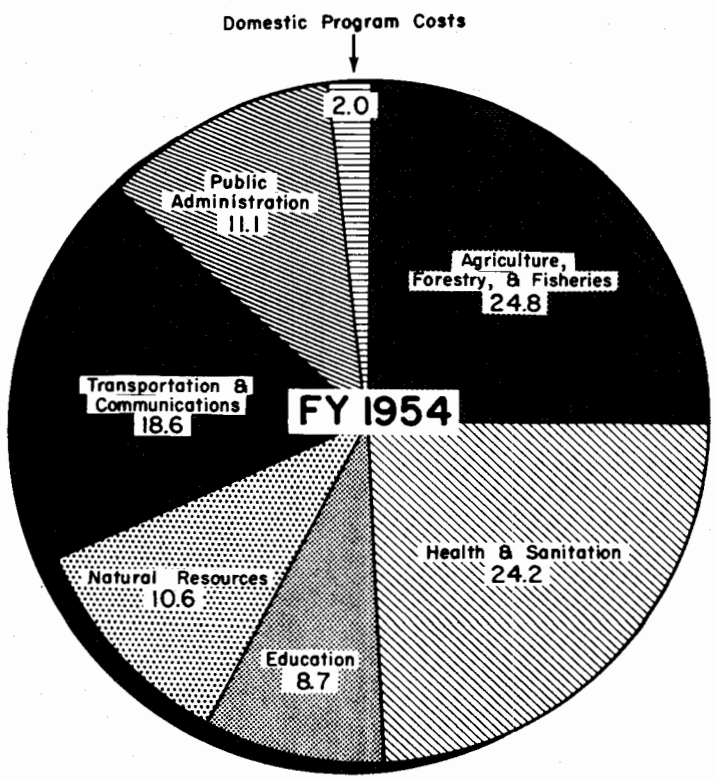
| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 318 | 242 | — | — | 76 |
| 311 | 198 | 8 | 44 | 61 |
| 111 | 55 | 5 | 37 | 14 |
| 136 | 99 | — | 3 | 34 |
| — | — | — | — | — |
| 239 | 198 | — | 11 | 30 |
| 142 | 99 | — | 4 | 39 |
| — | — | — | — | — |
| 26 | 4 | 11 | — | 11 |
| 1,283 | 895 | 24 | 99 | 265 |

## COUNTRY PROGRAM BY COST FACTORS

(Thousands of Dollars)




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# LIBYA

## 1. General Situation

Libya, with 679,000 square miles has only two small areas in the northwest and northeast corners suitable for settled farming. Together these two contain about two million acres with 500,000 acres of this under irrigation. The balance is suitable only for precarious dry farming or as grazing lands. Exparto grass, used for making fine paper, is one of the principal exports. Grains, dates, and olives are the other important crops. Cattle, sheep and goats are the principal livestock. Sponge and tuna fishing yield some income. Known mineral resources are almost nil. Small potash deposits exist. Recently some interest has been manifested in oil exploration. Libya's population is estimated at 1,124,000 largely concentrated along the coast. Libya came into existence as an independent state in December 1951. A considerable portion of the power of government still remains with the provincial administrations. The U.K., France, and Italy are presently contributing financial support. In addition to the U.S. Technical Assistance Program, the United Nations operate a large program which began prior to the establishment of the country's independence. Health conditions are bad. Opportunity for formal education is denied almost all of the people in Libya because of the absence of schools. The immediate basic needs are increased food production, better health and sanitation facilities and an education system. The government of this new state appears sincerely dedicated to improving the living conditions of the common people.

## 2. Program Objectives

To assist Libya in creating the administrative machinery necessary to carry out the functions of a new state; creating an educational system at the elementary and secondary level; expanding Libyan agricultural resources, both by more scientific methods and by conserving and expanding the known water supply; establishing a school health program, using it as a means of attack on the major diseases in the country; training Libyans in the fields of agriculture, health and education so as to reduce their dependence on outside assistance.

## 3. Major Activities and Progress to Date

An agricultural extension service consisting of eleven agricultural extension officers and two foresters is now operating through established community centers demonstrating improved agricultural practices such as wool grading, livestock improvement and afforestation. This extension service is backed up by two agricultural research centers and by two vocational agricultural training centers. This has brought to the rural areas of Libya for the first time extension officers who work directly with the Libyan farmer in an organizational form patterned after the American county agent system. These officers and rural centers have been received by the Libyan farmers and has done much to bring the technical cooperation program to the bulk of the rural population.

Since the scarcity of water is the major drawback to the expansion of the agricultural base of the Libyan economy, an American water resources team is now test drilling in Tripolitania to determine the water potential of the province. This team is analyzing soils and studying irrigation methods and is also recommending techniques of water conservation. Libya does not have a single river which runs all year around, and much water and soil is wasted by runoffs from sudden storms. The water resources team is developing methods of conserving this water, preventing erosion, and discovering new sources of ground water. During 1953 this team took the first steps which would eventually bring under cultivation about 300,000 acres of presently uncultivated land.

### Plans for Fiscal Year 1954

The agricultural extension service will be expanded into four new communities during FY 1954. Activities will be begun in the Fezzan province in the extreme southwest. Test drilling will continue in Tripolitania and this may permit the cultivation of areas previously selected by soils technicians as potentially productive agricultural land. The drilling of test wells will be extended to the Fezzan.

The first classes from the vocational training schools and the teachers training schools established with the assistance of the American technical cooperation program should begin to make its contribution in expanding the educational activities of the Libyan Government. For the first time there will be Libyan teachers trained in Libya schools operating in the Libyan educational system. As this process expands, the present dependence of the country on Egyptian and Palestinian teachers will be reduced.

# LIBYA

| GENERAL | | 1951 |
|---|---|---|
| Area | 679,000 sq. mi. | |
| Population: | | 1,124,000 |

| PRICE INDEXES (1948 = 100) | 1950 | 1951 |
|---|---|---|
| Wholesale : | n.a. | n.a. |
| Cost of Living: | 140 | 158 |

| INCOME AND PRODUCTION | 1950 |
|---|---|
| Per Capita Income | $40 |
| Agricultural Production Index | ND |

| INTERNATIONAL TRADE (Million Dollars) | 1938 | 1950 |
|---|---|---|
| Total Exports: | 5.7 | 9.6 |
| Total Imports: | 46.4 | 19.7 |
| United States Trade ($1000) | | |
| Exports to U.S. : | | 17 |
| Imports from U.S.: | | 154 |
| Principal Commodity Exports: | Live animals, skins, fish. | |

| CENTRAL GOVERNMENT FINANCES (Million Dollars) | 1946 | 1949 |
|---|---|---|
| Revenues: | 18.1 | 26.6 |
| Expenditures: | 18.6 | 31.7 |
| Deficit: | -.5 | -5.1 |

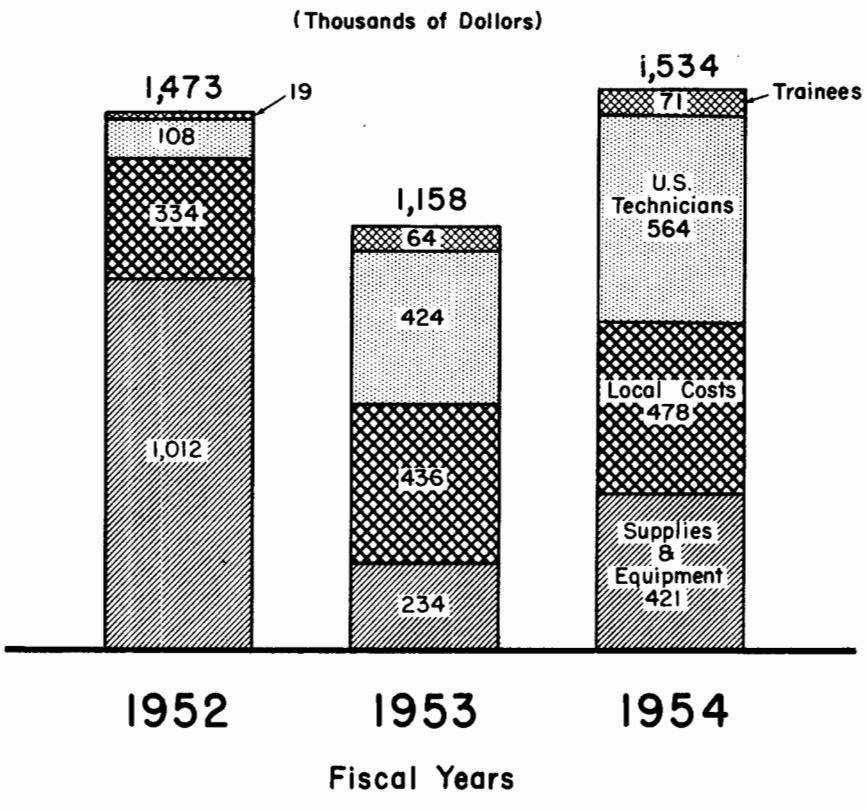
PROGRAM COST BY FIELD OF ACTIVITY
FY 1952-1953
(Thousand Dollars)

| Major Field of Activity | FY 52 | FY 53 |
|---|---|---|
| Agriculture, Forestry, Fisheries | 477 | 360 |
| Health and Sanitation | 118 | 160 |
| Education | 692 | 364 |
| Natural Resources | 148 | 125 |
| Industry and Trade | — | — |
| Transportation & Communications | — | — |
| Public Administration | — | — |
| General Projects | 1 | 129 |
| Domestic Program Costs | 37 | 20 |
| TOTAL | 1,473 | 1,158 |

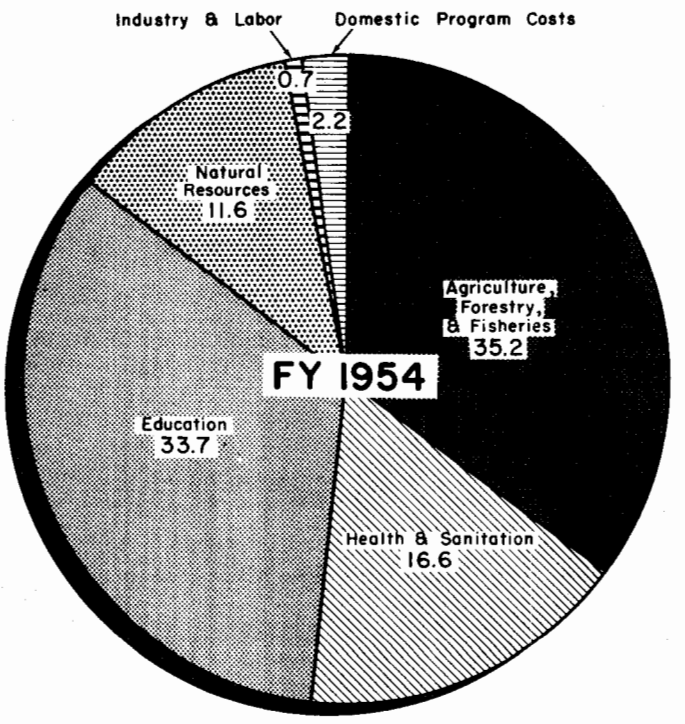
DISTRIBUTION OF COSTS FOR FY 1954
(Thousand Dollars)

| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 540 | 225 | 16 | 183 | 116 |
| 255 | 93 | 14 | 59 | 89 |
| 517 | 140 | 21 | 126 | 230 |
| 178 | 90 | 6 | 53 | 29 |
| 10 | 10 | — | — | — |
| — | — | — | — | — |
| — | — | — | — | — |
| — | — | — | — | — |
| 34 | 6 | 14 | — | 14 |
| 1,534 | 564 | 71 | 421 | 478 |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# SAUDI ARABIA

## 1. General Situation

Saudi Arabia, the land where the Islamic religion originated and from which it expanded, still remains a center of orthodoxy and conservatism. Its relative isolation enables mores and customs to persist which have disappeared in other Moslem states. Such attitudes are reflected in the educational system, law, position of non-Moslems and many other aspects of the social environment. The Arabian peninsula is a vast plateau, largely desert. There are a large number of oases and wadis, however, where cultivation is possible, and in the mountains terraces agriculture is practiced. The inhospitable nature of the peninsula has fragmented the Arabian people into many tribes. The problems of political and economic unification are tremendous. The Government of Saudi Arabia has the opportunity to alleviate in some measure the low living standards of the people through judicious use of its oil royalties. The prime essentials are improved governmental administration, improved agricultural techniques including better utilization of water, increased health and sanitation facilities, vocational training for industry, and improved communication facilities.

## 2. Program Objectives

To assist the Government of Saudi Arabia to increase and improve food production in order to provide a balanced economy; develop an awareness for the need of preventive medicine by providing technical assistance in building, equipping and staffing health centers; develop a national system of commercial and industrial schools; develop all available water supplies without depleting the sources; survey areas where mineral deposits exist, indicating areas worth intensive exploration; prepare adequate base maps and provide aid in surveying for planning roads, railroads, water development, water pipelines and storage dams; strengthen all Ministries by providing for better public administration.

## 3. Major Activities and Progress To Date

A team of geologists, working with the Saudi Government, has developed a country-wide ground water survey. This is being done by an exploratory well drilling program. This drilling program is being carried out by an American contractor employed by the Saudi Government and under the technical direction of the U.S. geologists.

This group has completed exploration in ten areas resulting in discovery of the major source of water supply for the capital of the country, for several other cities, for agricultural purposes and for the Moslem pilgrimage.

In 1952, TCA, working with a group of businessmen in Jidda, established a commercial school. This is the only such institution in Saudi Arabia. From a modest beginning of a few students it has expanded to an enrollment of approximately 150 and the Saudi Arabian Government now plans to use it as a pattern and plan for the establishment and development of other similiar commercial schools in the country.

## 4. Plans for FY54

In the Education program we will supply the plans and technical advice to the Saudi Government for the building of a new commercial school building. Two additional vocational instructors will be recruited, one to direct the Commercial School and one to take over direction for the Government's industrial school. An additional commercial school is to be organized.

In the areas in which ground water exploration has been completed a utilization drilling program is planned calling for an expenditure by the Saudi Government of possibly two million dollars. The exploration for drilling wells will continue.

The Health and Sanitation Division will advise and assist the Government in organizing, equipping and staffing a quarantine station designed to handle the Moslem pilgrims going to Mecca. The Division will also assist in the development of a national immunization program.

# SAUDI ARABIA

| GENERAL | |
|---|---|
| | 1951 |
| Area : | 700,000 sq. mi. |
| Population: | 6,000,000 |

| PRICE INDEXES | |
|---|---|
| Wholesale : | n.a. |
| Cost of Living: | n.a. |

| INCOME AND PRODUCTION | |
|---|---|
| | 1950 |
| Per Capita Income | $40 |
| Agricultural Production Index | n.a. |

| INTERNATIONAL TRADE (Million Dollars) | | |
|---|---|---|
| | 1950 | 1951 |
| Total Exports: | | 142 |
| Total Imports: | | 175 |
| United States Trade | | |
| Exports to U.S. : | n.a. | n.a. |
| Imports from U.S.: | 35 | 42 |

Principal Commodity Exports: Petroleum,

| CENTRAL GOVERNMENT FINANCES (Million Dollars) | |
|---|---|
| | 1948 |
| Revenues: | 53.6 |
| Expenditures: | 53.6 |
| Deficit: | -0- |

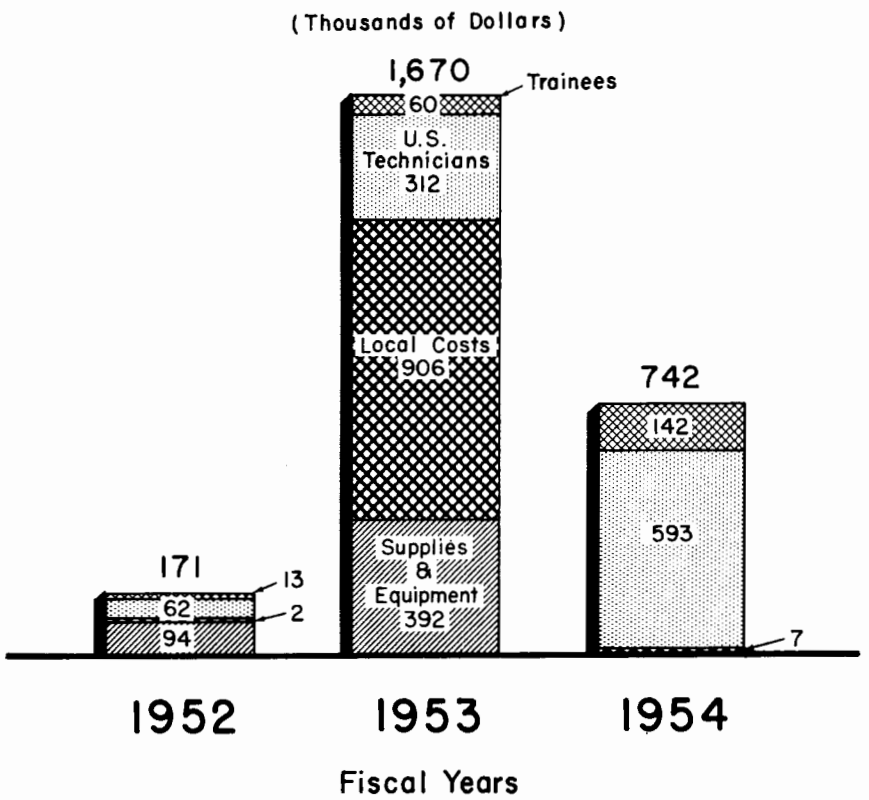
PROGRAM COST BY FIELD OF ACTIVITY
FY 1952-1953
(Thousand Dollars)

| Major Field of Activity | FY 52 | FY 53 |
|---|---|---|
| Agriculture, Forestry, Fisheries | — | 113 |
| Health and Sanitation | 8 | 120 |
| Education | 2 | 61 |
| Natural Resources | 147 | 103 |
| Industry and Trade | — | — |
| Transportation & Communications | — | 420 |
| Public Administration | 5 | 99 |
| General Projects | — | 724 |
| Domestic Program Costs | 9 | 30 |
| TOTAL | 171 | 1,670 |

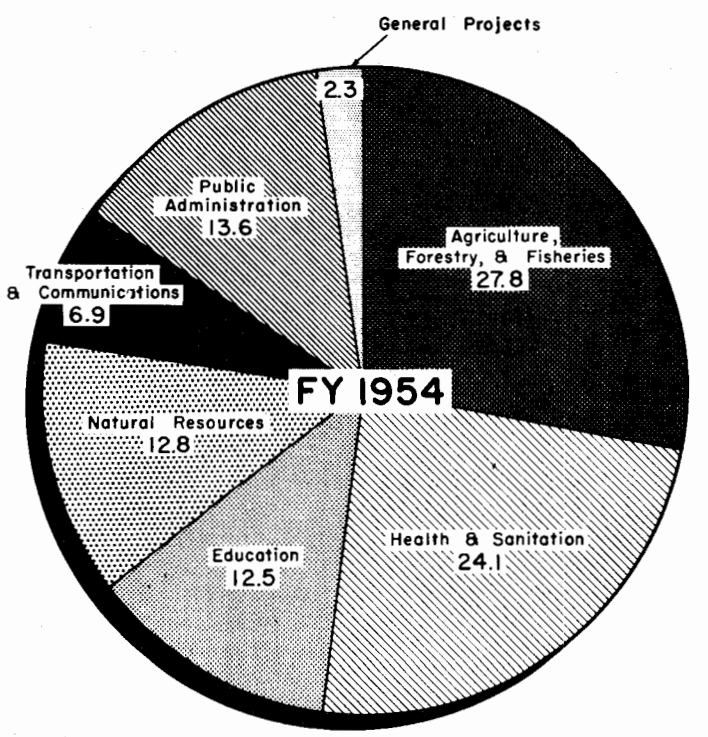
DISTRIBUTION OF COSTS FOR FY 1954
(Thousand Dollars)

| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 206 | 173 | 33 | — | — |
| 179 | 146 | 33 | — | — |
| 93 | 60 | 33 | — | — |
| 95 | 83 | 12 | — | — |
| — | — | — | — | — |
| 51 | 39 | 12 | — | — |
| 101 | 89 | 12 | — | — |
| — | — | — | — | — |
| 17 | 3 | 7 | — | 7 |
| 742 | 593 | 142 | — | 7 |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# SYRIA

1. General Situation

Syria is culturally and politically important in the Arab world. Her people are for the most part settled in areas where rainfall or irrigation can support an agricultural economy. The Syrian desert does not support settled life, except along the upper Euphrates and in occasional small oases; it is scantily peopled by nomadic Bedouins, dependent on livestock. The farmers are settled in agricultural villages and towns. Properly used, Syria's land is potentially more than ample for its population, despite vast stretches being steppe and desert and the fact that much of the arable land has yet to be brought under cultivation and irrigation. A large percentage of cultivable land lies fallow and unproductive each year.

Lasting social improvement in Syria can be achieved only after the economic and social reforms now being carried out by the present government's Liberation Reform movement have become fully effective. The most important of these involve land reclamation and irrigation schemes. Some of the new land and water resources developed with UNRWA help will be used for the resettlement of Palestine refugees. In general the technical cooperation program proposed for FY 1954 will be devoted to providing the outside technical assistance which Syria needs to make her own economic development efforts fully effective.

2. Program Objectives

To aid Syria in her efforts to:

Increase the amount of arable land by drainage and irrigation.
Utilize rivers for irrigation purposes and for hydro-electric power.
Increase agricultural production through more effective extension and experimentation programs.
Improve health, sanitation and education in rural areas.
Develop a more effective governmental administration by organizing training programs for civil service personnel and officials.

3. Major Activities and Progress to Date

This will be a new program. No agreements have yet been negotiated. Preliminary conversations have been held with respect to specific project items. Program negotiations are based on the assumption that Syria will contribute a fair share of costs.

4. Plans for FY 1954

The technical cooperation program proposed in FY 1954 will provide the outside assistance which Syria needs to make her own development programs fully effective. Much of that effort will be devoted to the resettlement of refugees.

The major emphasis of the cooperative program will be in the development of an agricultural program, including livestock improvement, experimental stations and vocational agriculture schools. In addition forestry demonstrations will be carried out.

In the field of health, demonstration health centers for training Syrians in sanitary health practices will be developed.

Ground water surveys for location of new water wells will be made.

Technical advisory services will help Syria in the reorganization of various Ministries to keep pace with the economic and social development of the country.

Assistance will be given to survey some of the natural resources of the country and to aid in implementation, on a cooperative basis, of surveys most feasible in the economic development program that Syria is now undertaking.

5. It is planned that Syria will participate in the special economic assistance "package" program, described in another section of the request. An illustrative program ranging from $18,000,000 to $25,700,000 has been developed, details of which are contained in separate classified documents.

**(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)**

# SYRIA

| GENERAL | |
|---|---|
| | 1951 |
| Area : | 72,000 sq. mi. |
| Population: | 3,291,000 |

| PRICE INDEXES | |
|---|---|
| Wholesale: | n.a. |
| Cost of Living: | n.a. |

| INTERNATIONAL TRADE (Million Dollars) | 1938 | 1951 |
|---|---|---|
| Total Exports: | 18.3 | 78.4 |
| Total Imports: | 41.4 | 86.9 |
| United States Trade | | |
| Exports to U.S. : | 1.0 | 10.6 |
| Imports from U.S.: | 2.8 | 15.8 |
| Principal Commodity Exports: | Breadgrains and flour, textiles | |

| INCOME AND PRODUCTION | 1950 |
|---|---|
| Per Capita Income: | $108 |
| Agricultural Production Index | n.a. |

| CENTRAL GOVERNMENT FINANCES (Million Dollars) | 1949 | 1950 |
|---|---|---|
| Revenues: | 43.5 | 42.2 |
| Expenditures: | 40.3 | 45.1 |
| Deficit: | +3.2 | - 2.9 |

PROGRAM COST BY FIELD OF ACTIVITY
FY 1952-1953
(Thousand Dollars)

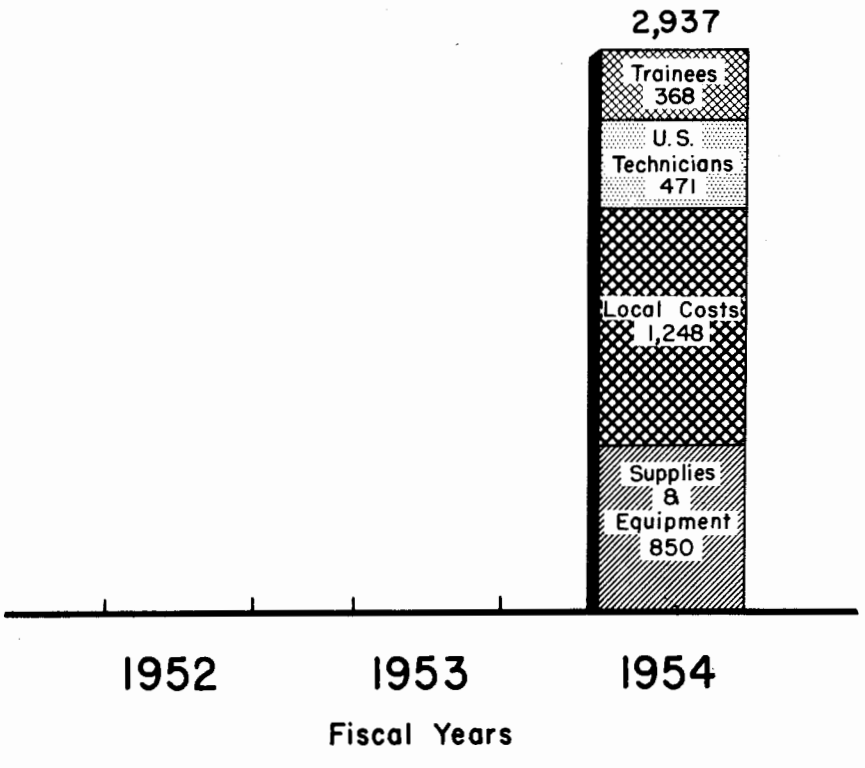
| Major Field of Activity | FY 52 | FY 53 |
|---|---|---|
| Agriculture, Forestry, Fisheries | -- | -- |
| Health and Sanitation | -- | -- |
| Education | -- | -- |
| Natural Resources | -- | -- |
| Industry and Trade | -- | -- |
| Transportation & Communications | -- | -- |
| Public Administration | -- | -- |
| General Projects | -- | -- |
| Domestic Program Costs | -- | -- |
| Total AID | -- | -- |
| Special Economic Aid | -- | -- |

DISTRIBUTION OF COSTS FOR FY 1954
(Thousand Dollars)

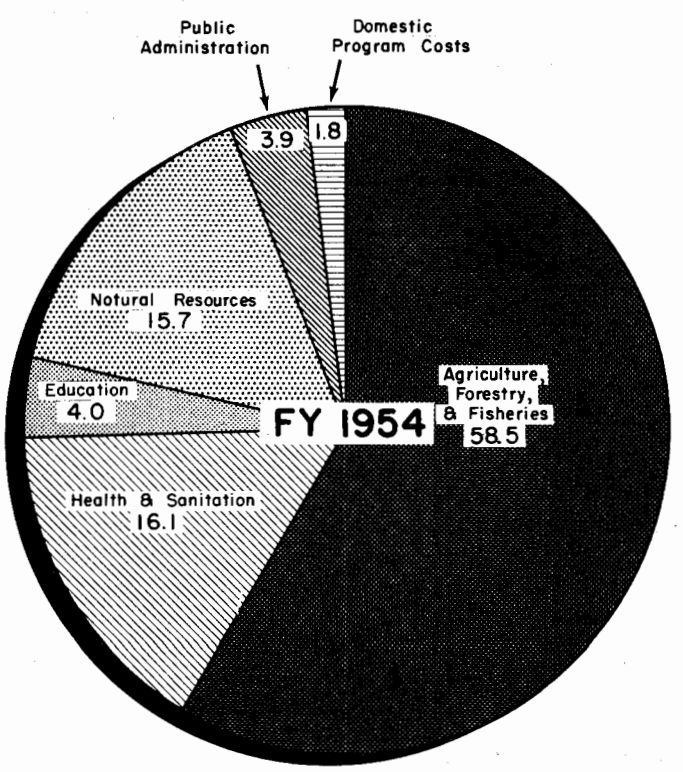
| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 1718 | 253 | 195 | 600 | 670 |
| 473 | 88 | 50 | 125 | 210 |
| 117 | 11 | 50 | 20 | 36 |
| 463 | 66 | 12 | 75 | 310 |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| 114 | 44 | 40 | 30 | -- |
| -- | -- | -- | -- | -- |
| 52 | 9 | 21 | -- | 22 |
| 2937 | 471 | 368 | 850 | 1248 |

For FY 54 included in proposed regional "package" program. Range $18,000 - $25,700.

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY




(Page may be declassified upon removal of specific figures with respect to Special Economic Aid.)

# NEAR EAST AND AFRICA
# REGIONAL PROJECTS

1. General Situation

The Near East forms an economic, cultural, political and strategic region. Certain phases of U. S. programs can be carried out more efficiently and effectively on a regional basis. Such problems as the development of natural resources, the control of epidemic diseases and insect plagues are best met by coordinating technical assistance with the efforts of all countries. Certain services can also best be provided by regional institutions.

2. Program Objectives

Regional projects provide the administrative direction, the preliminary surveying for processing natural resources, and periodic advisory services of a highly specialized nature for area needs.

3. Major Activities and Progress to Date

The projects being developed on a region-wide basis involves activities concerned with (a) pest and disease control for both animals and humans, (b) regional economic development and (c) regional training.

Emphasis on locust control has resulted in reducing crop losses in the area to an insifnificant figure, for example, to less than 1% in Iran. Iran and Pakistan now have expert locust control staffs who will require only minimum guidance from the U. S. in 1954.

Regional training accomplishments have covered a variety of educational fields. A project to prepare nurses for national leadership, begun at American University in Beirut in 1951-52, has 28 students. A program for training professional and sub-professional technicians in agriculture, economics, education, engineering and public health, conducted at the same University during 1952 and 1953 has already trained 400 people. Other training developments executed or beginning include; (a) a plan to prepare technicians for work in the local environment and problems at a regional training center, (b) a contract made with the New Mexico Agricultural and Mechanic Arts College to train technicians from the Near East in rural community development and agricultural extension and (c) the allocation of funds in 1953 for establishing a regional visual aids production and servicing center in a country of the Near East.

4. Plans for FY 1954

(a) Pest and Disease Control
  (1) extension of training of locust control technicians plus further reconnaissance of hatching areas and spraying.
  (2) provision of serums for laboratory operations at Addis Ababa and Cairo for rinderpest control.

(b) Regional Economic Development
  (1) continued assistance with tourist trade development.
  (2) further promotion of resource analysis on a regional basis to aid petro-chemical industrial development.
  (3) continuation of development of regional shipping services plus analysis of procurement, transportation and storage methods.

(c) Regional Training
  (1) continuation of the training activities for nurses, and American and Near Eastern technicians described above, including the transfer from Washington to Cairo of regional training of U.S. technicians going to the Near East.

(d) Other
  (1) provision of assistance to Near Eastern governments in the development of departments of health and vital statistics.
  (2) inauguration of impartial survey of technical programs to evaluate Point 4 programs and their contribution to social progress.
  (3) development of region-wide projects financed from the "package" Special Economic Aid Program, described elsewhere.

# NEAR EAST AND AFRICA
# REGIONAL PROJECTS

PROGRAM COST BY FIELD OF ACTIVITY
FY 1952-1953
(Thousand Dollars)

| Major Field of Activity | FY 52 | FY 53 |
|---|---|---|
| Agriculture, Forestry, Fisheries | 405 | 461 |
| Health and Sanitation | 589 | 601 |
| Education | 442 | 60 |
| Natural Resources | -- | 161 |
| Industry and Trade | -- | 88 |
| Transportation & Communications | -- | -- |
| Public Administration | -- | 60 |
| General Projects | 688 | 149 |
| Domestic Program Costs | 46 | 30 |
| Total AID | 2170 | 1610 |
| Special Economic Aid | -- | -- |

DISTRIBUTION OF COSTS FOR FY 1954
(Thousand Dollars)

| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 383 | 90 | -- | 115 | 178 |
| 25 | 24 | -- | 1 | -- |
| 300 | -- | -- | 106 | 194 |
| -- | -- | -- | -- | -- |
| 64 | 49 | -- | -- | 15 |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| 208 | 145 | -- | 28 | 35 |
| 34 | 6 | 14 | -- | 14 |
| 1014 | 314 | 14 | 250 | 436 |

For FY 54 included in proposed regional "package" program. Estimated at $1,900.

# NEAR EAST AND AFRICA - DEPENDENT OVERSEAS TERRITORIES

A. The Area and the Problem

The African territories of the European NATO countries are of vital importance to the success of the defense build-up of the Atlantic Community and are of even more significance to the effort of that Community to achieve stable economic and political relationships. It is essential that the contribution which these territories are now making to the defense effort be continued. North Africa provides strategic bases and the area south of the Sahara is an important buttress to North Africa. The territories supply the United States and Europe with critical materials, the production of which, although expanding, has failed to keep pace with expanding industrial requirements.

The strategic and economic objectives of the U.S. in the territories can only be achieved if political stability is maintained. Political stability in a large measure depends on the economic and social development which will create an environment in which the native peoples will feel that their aspirations can best be served by associating and cooperating with the nations of the free world. Though the assistance proposed for the territories is small in amount when contrasted with the total annual investment of the European countries in their dependencies, it is important as a catalyst inducing other investment and because by introducing specialized U.S. techniques, it promotes a more efficient use of resources. Through our assistance program, we also have the opportunity of influencing the territorial development plans so that they meet U.S. objectives as well as those of the territories and the metropoles. The resources of the metropoles, burdened by their defense commitments, particularly France and the United Kingdom, are not adequate to maintain in their dependencies the level and rate of development required and so U. S. public assistance is necessary for furthering the objectives and interests of the United States.

These overseas territories are already among the most important producers of materials in the free world. Africa is practically the sole source of supply for such vital items as industrial diamonds, columbite and cobalt and, in addition, is an important exporter of uranium, chrome, manganese, copper, tin, asbestos, graphite, palm oil and sisal. The continued production of these materials depends not so much on direct public capital investment in the producing enterprises as on creating the economic structure within which economic growth is possible.

The territories are deficient in this indispensable economic structure. They lack the basic transportation, power and other facilities necessary to attract needed private investment and to sustain and increase productivity. They suffer generally from a shortage of labor and they lack adequate technicians and skilled workers, food supply, public health and training facilities, water supply, etc.

B. The Program

This program requires new obligational authority of $24 million for general development and technical assistance. Financial assistance for development will generally be made available for essential projects which contribute to the welfare of the native peoples and to the economic growth of the territories. The program will stress, among other things, transportation improvement, power development and land development with particular emphasis on utilization of water resources as means of increasing the supply of food for the local peoples, thus raising them above the subsistence level and improving the labor supply. Methods and techniques more adapted to the local problems in fields such as agriculture, housing, transportation and health will be demonstrated in actual practice on a sufficient scale to show how their adoption would improve living standards and expand production. Technical assistance will make available to the territories those specialized U.S. skills and scientific knowledge which are essential to the solution of the problems basic to the welfare of the native peoples in health, housing, sanitation and agriculture. It will be available for such purposes as resources development, for increasing private investment, for the improvement of administrative practices, for technological advancement and expanding productivity.

C. Selected Illustrative Projects - FY '54

1. Illustrative Technical Assistance Projects by Categories - FY '54:

| | |
|---|---|
| Agriculture | $ 365,900 |
| Transportation | 109,000 |
| Education | 222,000 |
| Public Administration | 32,500 |
| Industrial Transportation & Mineral Surveys | 759,200 |
| Private Investment Surveys | 52,900 |
| Health | 400,000 |
| TOTAL | $1,940,600* |

2. Selected Illustrative Overseas Territories Development Projects by Categories - FY '54:

| | |
|---|---|
| Transportation | $ 8,400,000 |
| Power Development | 4,200,000 |
| Food & Agriculture | 23,675,000 |
| TOTAL | $36,275,000 |

* Includes the estimated demonstration equipment costs and estimated support for assistance to certain regional projects of the OEEC's Overseas Territories Committee.

NEW OBLIGATIONAL AUTHORITY REQUIRED: $24,000,000

# PALESTINE REFUGEE PROGRAM

SUMMARY NARRATIVE STATEMENT

Legislation is requested for re-appropriation of the unobligated balance of $44,063,250 of the $60,063,250 appropriated for fiscal year 1953 for a United States contribution to the United National Relief and Works Agency for Palestine Refugees (UNRWA).

One of the most serious unresolved issues resulting from the conflict between Arabs and Israelis in Palestine is the Arab refugee problem. Upwards of 800,000 needy refugees who left Palestine during and after hostilities have been provided with subsistence relief under United Nations programs to which the United States has contributed substantial amounts.

The alleviation of this critical refugee problem, which constitutes a serious source of tension between Israel and the Arab States, is a major objective of United States policy. United States support of the relif program of the United Nations has helped prevent this mass of homeless people from seriously threatening internal order and security in the countries in which they are situated. The immediate and urgent interest of the United States is to support United Nations programs which will permit refugees to become self-supporting and lead to the termination of relief and the easing of tensions in the area. In January, 1952, with United States support, the General Assembly of the United Nations adopted a program of $200,000,000 for reintegration and $50,000,000 for relief.

The relief operations of UNRWA envisage a continuation of a ration issue averaging 1600 calories daily, supplemental feeding for special cases, medical care and shelter. The Agency relies upon voluntary agencies to provide clothing. At present there are approximately 865,000 registered refugees. Relief is provided to them at an average cost of slightly less than $3.00 per month per refugee.

In fiscal year 1952, the United States appropriated $50,000,000 towards the Palestine Refugee program and additional funds were appropriated for fiscal year 1953 to enable the Agency to move forward with negotiations and commitments on large-scale projects. These appropriations, combined with pledges and contributions of other governments, have provided the Agency with funds for relief as well as with the necessary financial basis for negotiations and commitments on projects, without which no progress could have been made. General agreements have been concluded thus far with Jordan, Syria, and Libya amounting to $83 million. A proposed agreement with Egypt in the amount of $30 million and other projects not requiring governmental agreement brings the total to $120 million.

While the appropriations for fiscal year 1952 and 1953 provided the necessary financial basis for the Agency to negotiate agreements with the Arab Governments and undertake surveys of large-scale projects, the unobligated balance of the United States appropriation for fiscal year 1953 must still be available to enable the Agency to let and execute contracts for specific projects under the general agreements. It is estimated that UNRWA will need $75 million for such contractual commitments and expenditures in fiscal year 1954, and $24 million for relief. The contributions of the United States and other governments amounting to approximately $61,000,000 together with the estimated balance of unobligated funds now available to the Agency will therefore be necessary to meet total program requirements in fiscal year 1954.

From the initiation of the United Nations Relief Program December 1, 1948, to March 31, 1953, 57 governments have contributed or pledged a total of over $234 million of which over $178 million has actually been paid. The United States has paid in $109,450,000 or 61% of the total. In pledging United States contributions, which are definitively made only after Congress has appropriated funds, the United States has stipulated two conditions: 1) that the United States contribution shall not exceed 70% of the total resources made available by governments to the program of UNRWA, and 2) that payments on the United States pledge shall be related to relief and to the progress of the Agency in concluding agreements for projects leading to refugee self-support.

Inasmuch as the Agency was not in a position to make contracts for large-scale projects during fiscal year 1953, the United States limited its payments on its pledge of $60,063,250 to $16,000,000 which was required for relief, leaving an approximate balance of $44 million of the appropriation for fiscal year 1953. Since that sum will be required in fiscal year 1954, and in order to enable the United States to honor its pledge, the re-appropriation of the unobligated fiscal year 1953 balance of $44,063,250 is requested.

In view of the foregoing, no appropriation of new funds is being sought for fiscal year 1954. However, the current authorizing legislation for the Mutual Security Program includes a provision for $30 million: 1) to give affirmative indication to the Arab Governments of the intention of the United States Government to pursue the $200 million reintegration program; 2) to furnish a basis for stimulating continuing contributions from other governments; and 3) to permit a request for a deficiency appropriation at the next session of Congress if larger cash contributions are necessary to carry out planned projects.

# ASIA AND THE PACIFIC – REGIONAL SUMMARY

## I. The Region

It is proposed that four types of United States assistance programs authorized under the Mutual Security Act be conducted in eleven countries of South and Southeast Asia during FY 1954 -- Technical Cooperation in India, Indonesia, Pakistan, Philippines, Thailand, Afghanistan and Nepal; Special Economic Aid in India and Pakistan; Defense Support in Formosa and the three Associated States of Indochina; and Mutual Defense Financing of the combined French and Associated States' defense effort. These countries contain more than a quarter of all the people on earth and more than a third of the population of the Free World. Over three million square miles in area, they stretch from the mid-east to the Philippine Sea. For much of this vast distance they border on the Soviet Union and Red China, and live under the constant threat of Communist aggression from without or subversion from within. In Indochina the communists have been waging open warfare for seven years; communist-led rebels continue to harass the Philippines, and the Peking regime has openly announced its determination to conquer Formosa. The countries of this region not only dominate the sea lanes between the Near and Far East, but also provide a preponderant share of the free world's supply of such vital raw materials as manganese, rubber, tin, mica, copra, hard fibers and rice. They are, in addition, important importers of cotton, grains and machinery from the United States and Europe.

India, Pakistan, the Philippines and Indonesia have only recently emerged from colonial status and become independent nations. Their international relations are, therefore, complicated by a vigorous and sensitive nationalism determined to remove all vestiges of their former colonial status. All of the countries of this region have important economic, cultural and spiritual ties with the Free World and their governments are staunchly opposing Communism within their borders.

Despite the region's basic wealth in raw materials and human resources, its outstanding characteristic is the poverty of the vast majority of its people. The low level of living in the area is characterized by an average annual income which generally ranges between $35-60 per capita in the area. What this bare statistic means for the region is malnutrition, disease, recurring famine, low productivity and mounting resentment.

With the attainment of independence the people of South and Southeast Asia expected that their material well-being would be directly improved. Instead, their already low level of living has gone down further in the years since independence. They now demand that their governments should take whatever steps may be necessary to ensure a reversal of this trend and a relatively rapid upturn in their material well-being. The governments and most of the people are determined that the sacrifices necessary for economic development shall be made, within a democratic framework and by democratic means. If, however, their aspirations are frustrated within this framework, they will be increasingly receptive to Communist or other extremist propaganda, which day-in and day-out proclaims to them that economic development and democracy are incompatible and that only the drastic means of a totalitarian approach can adequately increase the daily ration in their rice bowl.

## II. Major Economic Development Problems

The development efforts of the region are concentrated on the major problems which it faces-- food shortage, poor health, poor transportation and poor communications facilities, under-employment, and a lack of capital and of trained personnel.

The per-capita food supply in the area has substantially decreased since pre-war times. In certain areas this is due to localized civil war and banditry. In other countries such as India and Indonesia increases in food production have been far below the increases in population which have taken place. In recent years, drought conditions in some of the countries have further aggravated the food situation. The decline in food consumption has not only resulted in an undernourished population, less able to make the effort required for vigorous economic development, but also has required large scale food imports, which drain the countries' scarce foreign exchange resources. In most of the countries in the area, therefore, food production has first priority.

Diseases which every year affect millions of people have a direct effect on agricultural and industrial production. They sap the strength of the cultivator and worker and leave them little physical or mental energy beyond that required to keep alive. In addition, such endemic diseases as malaria prevent the cultivation of whole areas. The control and, if possible, the eradication of such diseases have, therefore, been given high priority in program planning.

Transportation and communication networks which cannot adequately serve existing economies seriously limit further economic expansion. Inadequate transportation makes it difficult to cope with local and restricted shortages, prevents the development of specialized industries, and adds to the cost of all goods.



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Although unemployment in such countries as India is quite large, under-employment probably accounts for an even greater waste of human resources. Millions of additional workers, especially farm laborers, though ostensibly employed, work but a few hours a day, a few days a week and a few months out of the year. Their productivity is extremely low, yet no alternative employment is open to them. A massive development of industrial employment opportunities, be they in the form of factories or small workshops or handicrafts, is therefore essential if this human resource is to be used and if, at the same time, vulnerability to political exploitation is to be avoided.

At all levels of the economy, and especially in government, these countries lack technicians and trained administrators, Economic development requires not only the training and the development of practical experience in the high levels of administrative and technical competence, but also the development of vast numbers of professional, sub-professional and semi-skilled administrators, technicians and workers. Even more basic is the development of a sufficient level of literacy to make further training possible.

The amount of capital which these countries can command at the present time is completely inadequate to sustain economic development. The low level of living results in an extremely low rate of savings which, in a country such as India, is estimated at about 7 per cent of the gross national product, compared to a rate of private savings of about 17 per cent of gross national product in the United States. Without a considerable increase in the present level of national income in the area, no important increase in the percentage of the national income saved can be expected.

## III. The Area's Difficulty in Solving These Problems Without External Assistance

This critical region finds it difficult to make sufficient progress toward solving these problems without outside assistance. It would be many years before a sufficient number of local technicians and administrators could be trained to undertake a large-scale economic development program that does not rely, to a small but critical extent, on some foreign technicians. Since such a training program would have to begin by training the trainers, the actual dissemination of information to farmers and other workers would be considerably delayed.

It is equally difficult for these countries to provide the financial resources required for necessary development. India, for instance, has officially estimated that it could meet $2.65 billion dollars of its 5 year economic development plan from taxation and borrowing but an additional $1.7 billion of outside capital is needed to carry out programs which are regarded as minimal in terms of her needs and the insistent demands of her people for economic betterment. Pakistan's immediate economic position is relatively very much worse, having seriously deteriorated in the last year. Her foreign exchange reserves have declined by 60% in one year and a serious food shortage has forced her to seek emergency outside help for two years in a row.

Considerable assistance has already been given by such international lending institutions as the Export-Import Bank and the International Bank for Reconstruction and Development, which have altogether authorized a total of nearly $300 million for all countries in the area. Further loans from these sources will undoubtedly be made in the future, but this assistance is limited by the ability of the countries themselves to repay these loans and by the type of project for which banking institutions are willing to advance funds.

Assistance has also been made available to South and Southeast Asia through the mechanism of the Colombo Plan. A total of $77.2 million has been pledged by Canada, Australia, New Zealand and Great Britain with an additional $111 million made available in releases of sterling balances held by Britain for India and Pakistan. The continuation of such aid can confidently be expected.

The programs of United States technical and economic assistance recommended below for each country were prepared on the basis of 5 factors:

1. The urgency of development in the country.
2. The potential for development.
3. The degree of preparedness for accelerating development.
4. The prospects for financing from sources other than United States grants.
5. Limitations in our own resources.

## IV. The Proposed Program for FY 1954

The proposed United States aid programs in South and Southeast Asia for 1954 are of four types:

(a) Technical Assistance - Projects under the Technical Cooperation Program will be those with a heavy emphasis on personal services; that is, the furnishing of United States technicians and the provision of training facilities in the United States and other countries. Nearly all of these projects

will require some supplies and equipment in direct support of the technicians engaged in the cooperative program. Emphasis in these projects, however, is on the provision of technical services and of training, not of equipment. Many of the projects will be long-run and relatively low-cost, with heavy emphasis on demonstration, "show-how" and on the dissemination of information. The proposed cost of the Technical Assistance program for fiscal year 1954 in all seven countries in which a program is planned for South and Southeast Asia totals $71.1 million.

(b) "Special Economic Aid" - India and Pakistan require a more rapid rate of economic growth than Technical Cooperation alone could assure. The opportunities for development are great in South Asia; if exploited, they will promote the economic and political stability of the whole sub-continent and strengthen relations among many countries of the free world. Pakistan is a leader among nations in the Moslem world, while the moral influence of India extends far beyond its own borders. These nations face a staggering task but they have the will and potential to succeed if we can give them timely aid.

For India and Pakistan the need for "special economic aid" is basically to fill the gap between total financial requirements for meeting necessary developmental goals and actual financing otherwise available. Special Economic Aid makes possible acceleration of a total development effort by the addition of larger components of supplies and equipment. In operation, it will be integrally meshed with the technical cooperation program. This special economic aid component enables the countries not only to become familiar with new productive techniques, but to execute and implement them as well. By accelerating the rate of economic development, special economic aid should enable these countries to invest an increasing proportion of national income in further development and to make them a much more attractive area for private investment, both domestic and foreign. It, therefore, helps to initiate a self-generating process of economic development which by an initial injection of capital for several years will enable the country to then continue its development program without further grant aid. For fiscal year 1954 a total of $94.4 million is required for the special economic aid component of United States assistance in this region.

(c) Defense Support - In Indochina and Formosa, where actual or potential warfare dominate the scene, U.S. economic aid takes the form of defense support. The objective in both countries is to provide the amount and kind of economic assistance best calculated to permit the government to devote its best efforts to the military struggle.

In Formosa U.S. aid permits the import of raw materials which enable the Chinese to build and repair military facilities required for the maintenance of troops and the defense of the island. Consumer goods are also imported in order to prevent runaway inflation, and the local currency proceeds from their sale is available to meet essential expenses in both direct and indirect support of the military. Defense support aid embraces some aspects of technical assistance and special economic aid to bolster more indirectly the economy and defense effort of the country. On Formosa for instance considerable effort has been expended in improving conditions in the rural areas. This is aimed both at insuring the loyalty of the farmers and at improving the economic position of the island.

In Indochina defense support has contributed to the improvement of transportation and communications facilities which can be used by the military and civilian population. Aid has also been given to the large numbers of refugees thus permitting anti-communist forces to concentrate on the military objectives. Further assistance is being provided to the defense effort by projects for the resettlement of civilians into more easily defended areas. Inasmuch as the war in Indochina is fought along political and economic as well as military lines the U.S. aid program in that country also concentrates on technical assistance projects to strengthen the local economy and encourage confidence and loyalty to the governments of the Associated States.

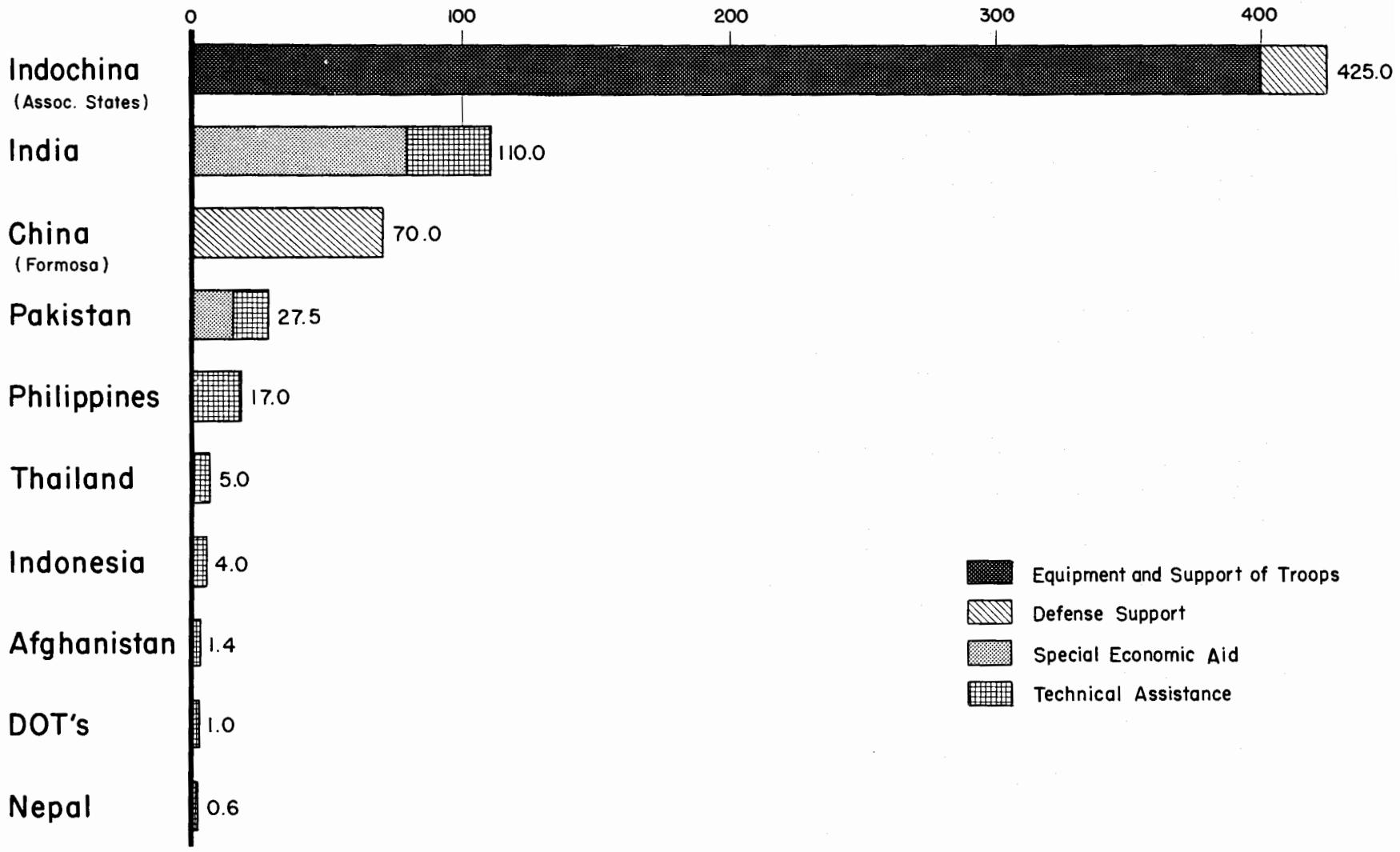
The estimated cost of the proposed defense support programs for Indochina and Formosa in FY 1954 is $95 million.

(d) Special Defense Financing - A program of $400 million of special defense financing, additional to the regular military end-item program for Indochina, will finance supplies required by the French and Indochinese troops in their war against communist forces in Indochina. That war is currently costing in excess of $1.3 billion per year, not including military end-items supplied under the MDA Program.

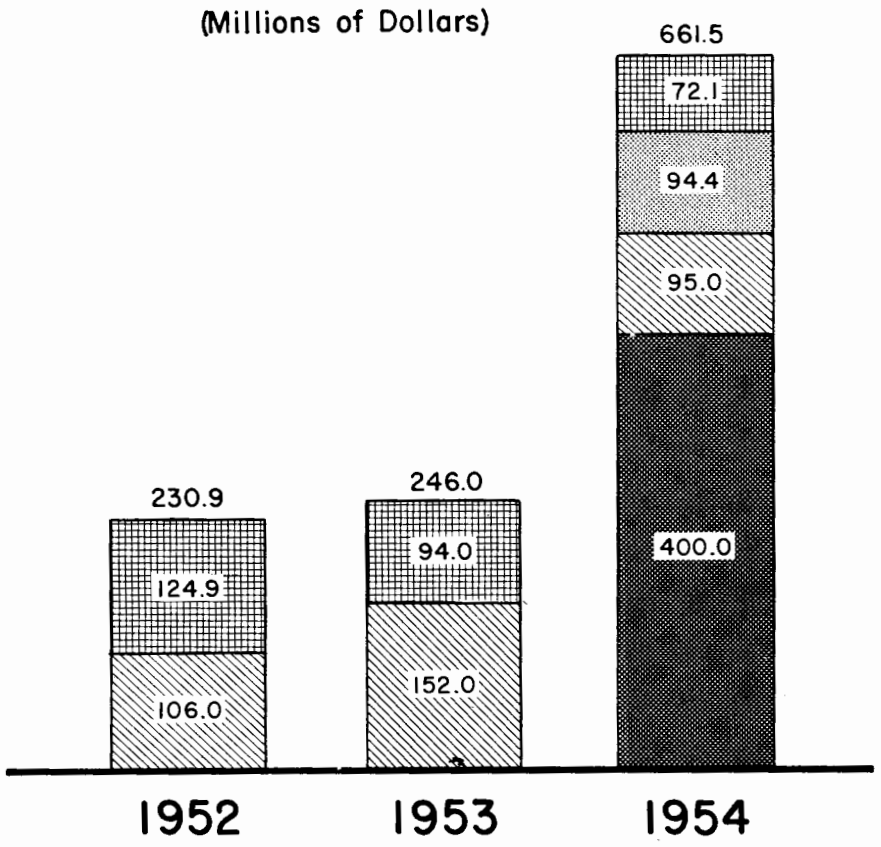
This assistance will be used by both French and Indochinese troops, including Indochinese troops organized in the French Union forces and the troops in the national military establishments of the Associated States.

# ASIA AND THE PACIFIC
# MUTUAL SECURITY PROGRAM – FY 1954
## (Excluding U.S. End-Item Program)

(Millions of Dollars)

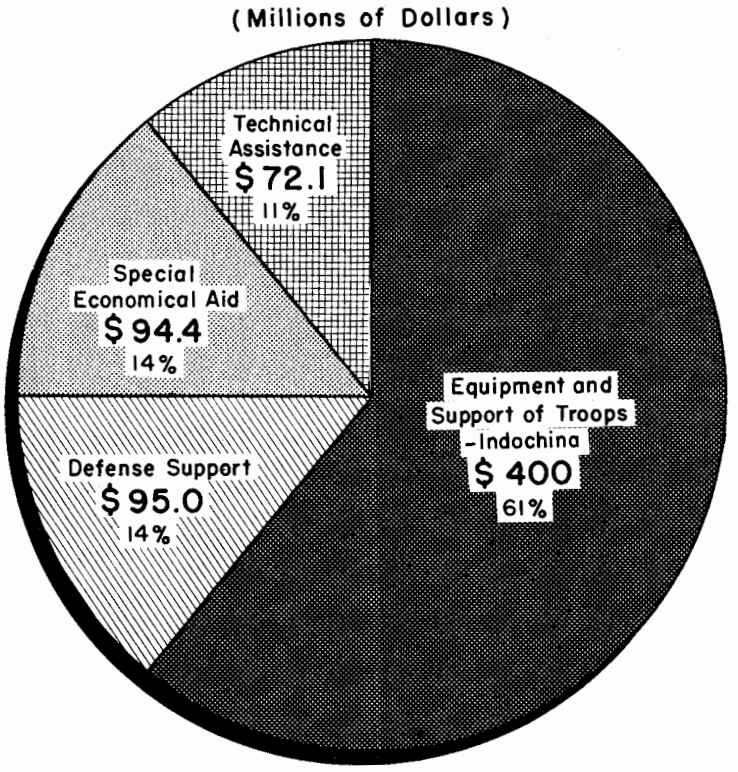



## PROGRAM BY FISCAL YEARS




## DISTRIBUTION OF 1954 PROGRAM

(Millions of Dollars)

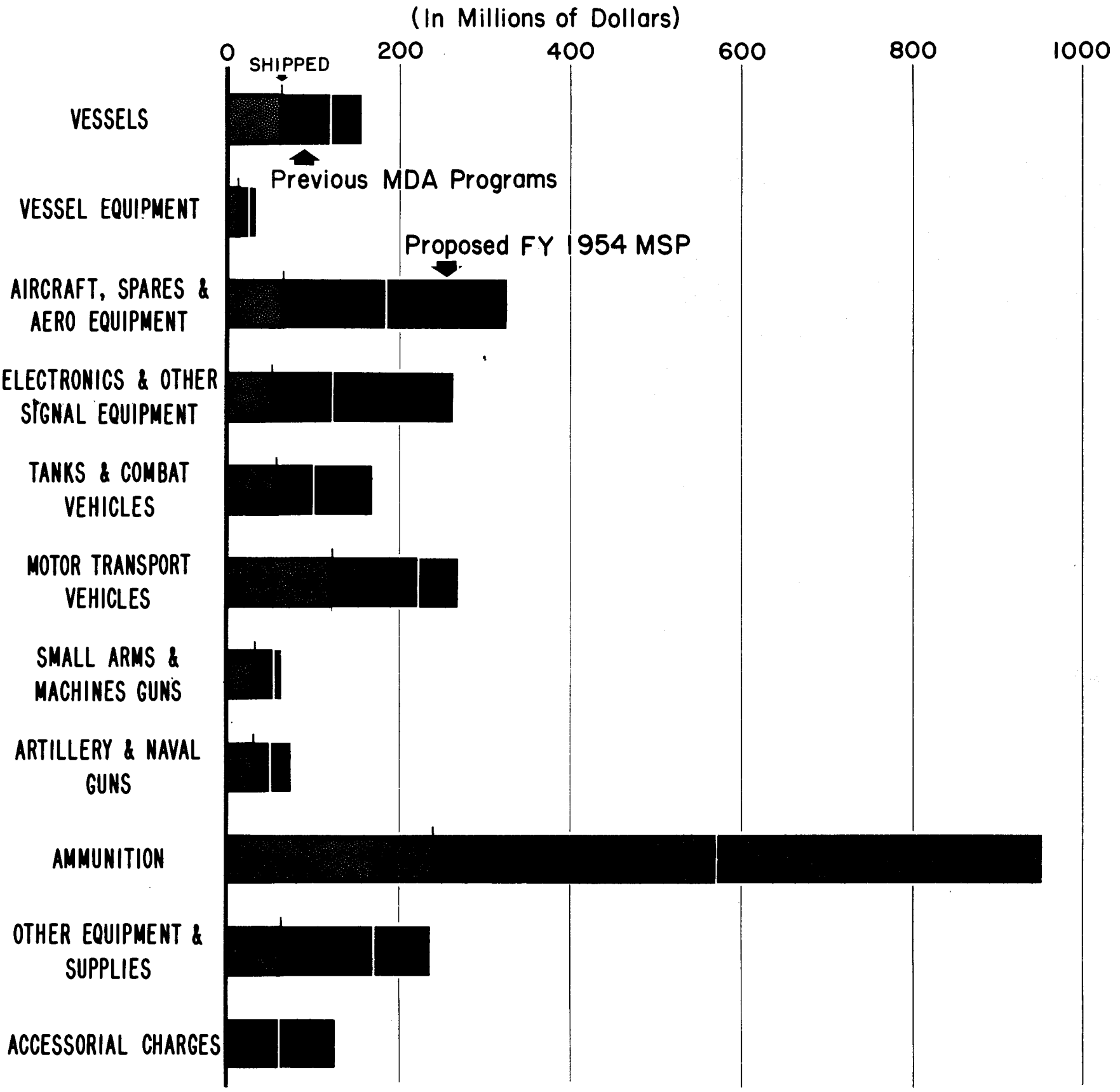



**$ 661.5 Million**

DEPARTMENT OF DEFENSE

MUTUAL DEFENSE ASSISTANCE PROGRAM

# COMPARISON OF FUND UTILIZATION
# PREVIOUS MDAP VS PROPOSED FY 1954 LEGISLATION
# ASIA AND PACIFIC



DEPARTMENT OF DEFENSE
STATISTICAL SUMMARY
PROPOSED FY ' 54 MUTUAL DEFENSE ASSISTANCE PROGRAM

| | TOTAL | (a) PHC&T | (b) TOTAL TRAINING | (c) TOTAL MATERIEL | MATERIEL MILITARY DEPARTMENTS ARMY | NAVY | AIR FORCE |
|---|---|---|---|---|---|---|---|
| TITLE III | $1,081,620,493 | $67,034,552 | $22,527,750 | $992,058,191 | $696,000,000 | $65,831,000 | $230,227,191 |
| Indo-China | 528,773,953 | | 672,500 | 528,101,453 | 460,000,000 1/ | 31,600,618 | 36,500,835 |
| NGRC | 250,926,176 | | 6,743,100 | 244,183,076 | 110,000,000 2/ | 15,836,635 | 118,346,441 |
| Philippines | 15,711,587 | | 1,270,530 | 14,441,057 | 7,100,000 | 4,543,000 | 2,798,057 |
| Thailand | 35,245,265 | | 1,679,200 | 33,566,065 | 18,900,000 | 3,181,747 | 11,484,318 |
| Japan | 119,891,060 | | 8,124,520 | 111,766,540 | 40,000,000 | 10,669,000 | 61,097,540 |
| Korea | 4,037,900 | | 4,037,900 | - | - | - | - |
| OSD Formosa, Indo-China Common Use | 60,000,000 | | - | 60,000,000 | 60,000,000 | - | - |
| PCH&T | 67,034,552 | 67,034,552 | | | | | |

(a) Entire PCH&T funds withheld by OSD Comptroller and released to military departments as needed in accordance with quarterly estimates of shipments.
(b) Training totals include funds by title for technical representatives, interpreters, etc., not included in country training programs.
(c) Materiel totals include charges for repair and rehabilitation.
1/ $30,000,000 for "common-use" not included. Requirements programmed.
2/ $30,000,000 for "common-use" not included. Requirements presented by MSA.
NOTE: The above table excludes budgeted local currencies identifiable as Department of Defense as follows: Training, Title III $2,404,340.

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# AFGHANISTAN

1. General Situation:

In order to build a stable economy Afghanistan must:

a. Expand its irrigated acreage sufficiently to offset the effects of recurrent droughts, such as the one which led to a request last Fall for a $1,500,000 wheat loan from the United States.
b. Settle its nomadic peoples.
c. Develop processing industries for its agricultural products.
d. Establish adequate communications and transportation facilities linking the outlying provinces with the capital city.
e. Develop its mineral resources, and
f. Diversify its export trade.

The major development effort of the government itself has been the Helmand Valley project in the southwest. Using $17 million of its own resources and a loan of $21 million from the U.S. Export-Import Bank, it has launched a large-scale project to develop irrigation and power in the Helmand Valley and to make available large tracts of new lands for the settlement of nomadic tribes. A United States firm was employed to carry out this project. Progress on construction is ahead of schedule and irrigation water is now becoming available. The Afghan Government is now faced with the difficult problems of land settlement and land use; of demonstration and extension to show newly settled nomads the use of effective irrigation agriculture techniques; and of establishing health, education, processing, marketing, and other facilities in the newly settled areas. Yet the Afghan Government has only a handful of trained personnel to cope with these problems. U.S. technical assistance is essential for backing up their efforts. Inevitably, since financing and construction of the Helmand Valley project come principally from U.S. sources, the United States will be identified by the Afghans with its failure or success. Success of the Helmand Valley project will not only affect Afghanistan but will demonstrate both to it and its neighbors the fruits of our partnership which is based on mutual confidence. On the other hand, failure to solve the problems associated with this development could result in political chaos and loss of the bulk of the resources invested in the project.

2. Program Objectives:

a. Provide technical assistance needed to help solve the problems of land settlement and agriculture of the Helmand Valley project.
b. Build a core of trained Afghan technical and administrative personnel.

3. Major Activities and Progress to Date:

In FY 1953 U.S. technicians on the Helmand Valley team helped the Afghan Government to draw up a plan for the direction of Helmand Valley land development. The team also provided advice in solving major land-use problems. This advice was eagerly sought and a strong cooperative relationship with Afghan authorities was established. A doctor and a sanitary engineer initiated a survey of the health needs in the Helmand Valley and developed plans for training a corps of subprofessional health workers.

Five instructors were made available to the Afghan Institute of Technology. By the end of calendar year 1953 the school will have graduated its first three-year class, a significant achievement in this field in Afghanistan. Much progress has also been made in training Afghan teachers to replace the American teachers.

To assist Afghanistan in exploiting its fuel and other mineral resources technical assistance was provided to the Karkar and Isphushta coal mines resulting in higher coal output. The fire hazard has been greatly reduced at these mines and the Ministry of Mines has been influenced to provide better living conditions for Afghan miners.

4. Plans for FY 1954:

The U.S. team of experts in the Helmand Valley will continue and expand its assistance in: soil analyses and surveys; the development of an experiment station; research on size of farm units, credit facilities and marketing institutions; providing information to new settlers on irrigation techniques and agricultural practices (through Afghan extension workers); and planning the location of irrigation canals and settlement areas.

Two public health teams, each composed of a doctor, nurse and sanitarian will train a corps of Afghan sub-professional and village sanitation health workers who can help solve the health problems in newly settled Helmand Valley land.

Two engineers will continue work begun in FY '52 and FY '53 as advisers to the Ministry of Mines on the exploitation and use of coal reserves. A metals engineer will continue the work, begun late in FY '53, of exploring Afghan resources of beryllium, copper and sulfur. He will also assist the Ministry of Mines in determining the best possible methods of exploiting the deposits discovered. The field equipment needed by these engineers will be provided.

# AFGHANISTAN

| GENERAL | 1937 | 1952 |
|---|---|---|
| Area: | 251,000 sq. mi. | |
| Population: | 10,972,000 | 12,000,000 |

| PRICE INDEXES | 1938 | 1951 | 1952 |
|---|---|---|---|
| Wholesale: | (Information not available) | | |
| Cost of Living: | | | |

| INCOME AND PRODUCTION | 1938 | 1951 | 1952 |
|---|---|---|---|
| Per Capita Income (dollars) | (not available) | | 50* |
| Agricultural Production Index | (Information not available) | | |

* 1949 only available

| INTERNATIONAL TRADE (million dollars) | 1939 | 1952 |
|---|---|---|
| Total Exports: | 34.2 | 31.0 |
| Total Imports: | 27.7 | 26.0 |
| United States Trade | | |
| Exports to U.S. : | n.a. | 15.5 |
| Imports from U.S.: | n.a. | 8.0 |
| Principal Commodity Exports: | | |
| Karakul Skins (thou. skins) | 2,000 | 16.0 1/ |
| Fruits and nuts | 10.0 1/ | 8.0 1/ |
| Wool (thous. tons) | 5.0 | 2.3 1/ |

1/million dollars

| CENTRAL GOVERNMENT FINANCES | 1950 | 1951 | 1952 |
|---|---|---|---|
| Revenue | (Information not available) | | |
| Expenditures | | | |
| National Defense | | | |
| Other | | | |
| Deficit | | | |

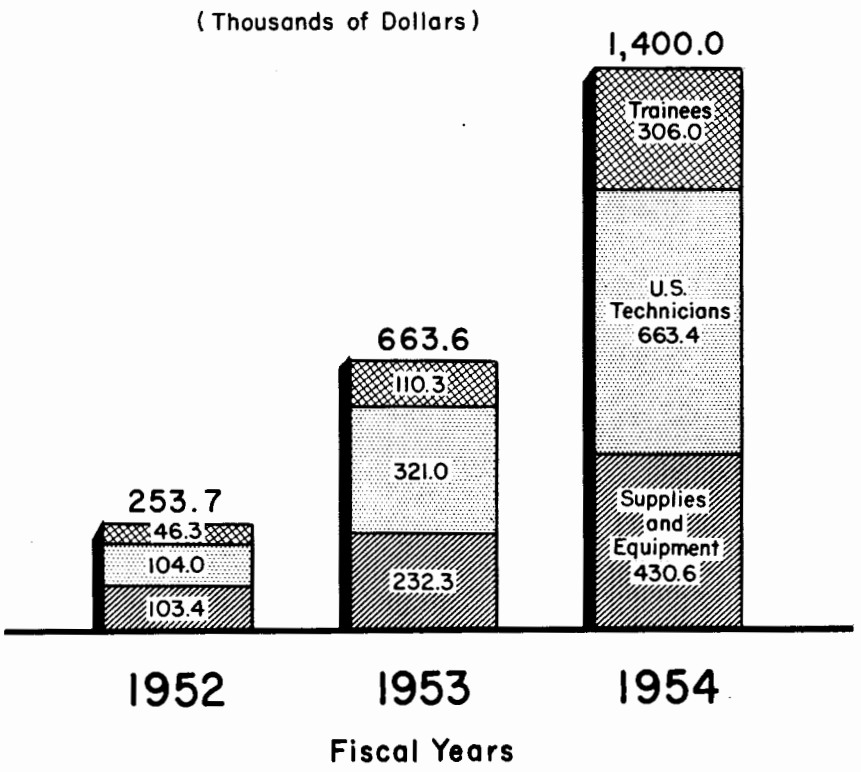
PROGRAM COST BY FIELD OF ACTIVITY
FY 1952 - 1953
(thousand dollars)

| MAJOR FIELD OF ACTIVITY | FY 1952 | FY 1953 |
|---|---|---|
| Agriculture, Forestry, Fisheries | 35.6 | 478.0 |
| Health and Sanitation | 81.1 | 52.5 |
| Education | 69.1 | 15.0 |
| Natural Resources | 54.4 | 89.5 |
| Industry, Trade & Labor | -- | -- |
| Transportation and Communications | 7.5 | -- |
| Public Administration | -- | -- |
| General Projects | -- | -- |
| Domestic Program Expenses | 6.0 | 28.3 |
| TOTAL | 253.7 | 663.3 |

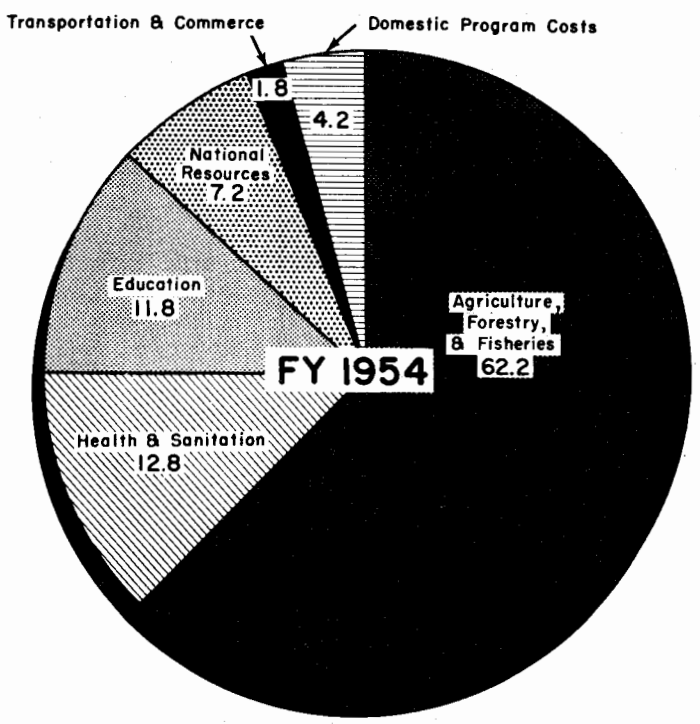
DISTRIBUTION OF COSTS FOR FY 1954
(thousand dollars)

| Total | Technicians | Trainees | T. A. Supplies & Equipment | Special Econ. Aid |
|---|---|---|---|---|
| 870.2 | 400.6 | 180.0 | 289.6 | — |
| 180.0 | 75.0 | 25.0 | 80.0 | — |
| 165.0 | 119.0 | 30.0 | 16.0 | — |
| 100.8 | 40.8 | 15.0 | 45.0 | — |
| -- | -- | -- | -- | -- |
| 25.0 | — | 25.0 | -- | — |
| -- | -- | -- | -- | — |
| -- | -- | -- | -- | -- |
| 59.0 | 28.0 | 31.0 | — | — |
| 1,400.0 | 663.4 | 306.0 | 430.6 | — |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



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# CHINA (FORMOSA)

1. Objectives of U. S. Defense Support

U. S. program objectives are: (a) to support the military effort by improving the transportation system, expanding military production, and developing defense facilities such as airbases, harbors and depots; (b) to help maintain economic stability in order to assure satisfactory production levels, to provide continued availability of revenues for support of the military establishment, to facilitate mobilization of capital, and increase public confidence in the ability and permanence of the National Government, and (c) to expand Formosa's capacity for self-support in order to reduce dependence on U. S. aid.

2. Progress in Support of the Defense Effort

Following Nationalist withdrawal from the Mainland, Formosan transportation, production and defense facilities were not adequate to permit effective utilization of the flow of military end-items required. The U. S. program has provided assistance for renovating ports, dredging harbors, improving roads, constructing bridges and rehabilitating the railways, as well as facilities for storage and maintenance of military equipment and ammunition. Textile production has increased five-fold since 1949 and military uniform requirements will largely be met from local production in 1954. A smokeless powder plant, partly financed by the U. S. program, will soon be in operation, while arsenals are now producing ammunition up to 75 mm in considerable quantities. The construction of airfields is proceeding, and runways are being extended to accommodate jets.

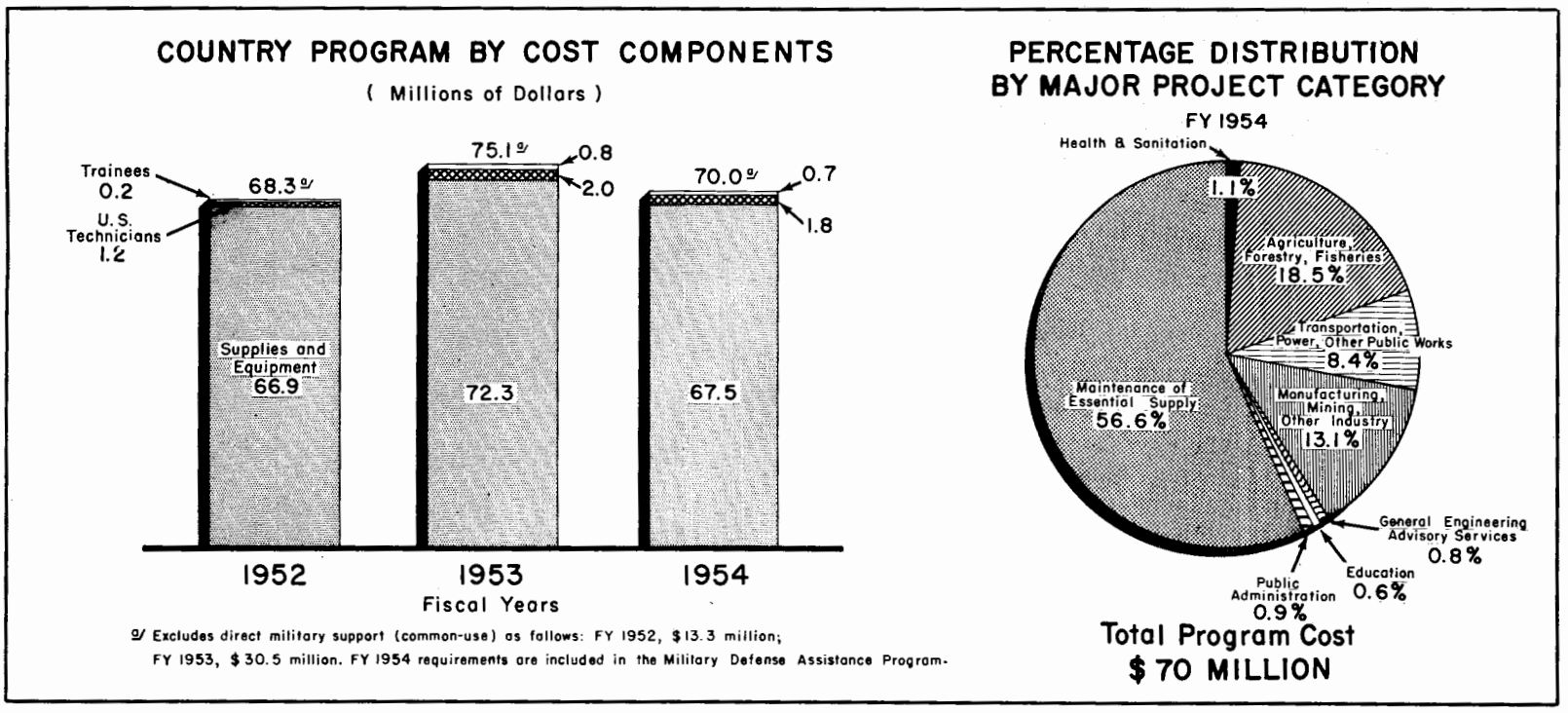
The Formosan economy, burdened by the addition of one and a half million soldiers and civilians from the mainland, has been strongly buttressed by U. S. economic aid. With the help of U. S. fertilizer, food production has markedly increased. Power production, though still insufficient to meet expanding industrial needs, has increased almost 50 percent over 1950, and industrial production has topped the peak attained by the Japanese. The status of the farmer has been greatly improved, deficit spending has been reduced and more effective budgeting and taxation procedures adopted. The Chinese Government has been able to achieve substantial economic stability. This essentially economic achievement has had profound political and military implications, permitting the regime to devote its attention and resources to the defense effort.

3. FY 1954 Defense Support Program

The defense support program in FY 1954 will be similar to that for FY 1953, both in size and in the type of activities undertaken, except that transportation projects will be reduced and manufacturing and mining projects increased. Aid funds will again be predominantly used for the importation of goods, such as petroleum products, construction materials, raw cotton, chemical fertilizers and machine tools, which are required to keep industries in operation and to meet essential consumer needs. Funds derived from the sale of these commodities will finance the local cost of U.S.-supported projects, help the Chinese Government meet military expenses and support the national budget.

4. Country Contribution to the Mutual Security Program

The Chinese are devoting almost two-thirds of their combined national and provincial budgetary resources to the defense effort. They are carefully budgeting their revenues and are encouraging production and trade. Despite improved fiscal management and impressive production increases, however, U. S. aid is required to maintain economic stability, essential alike to continued political stability and to the building of adequate defenses. It is also required to sustain the Chinese military establishment and to assure Formosa's development in the direction of ultimate self-support.



# CHINA (FORMOSA)

## PRODUCTION *(Key Items)*

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Rice *(1,000 metric tons)* | 1,220.9 1/ | 1,333.6 | 1,570.1 |
| Sugar, centrifugal *(1,000 metric tons)* | 1,124.9 1/ | 553.4 | 725.8 |
| Fertilizer *(1,000 metric tons)* | 27 | 110 | 154 |
| Cotton cloth *(million yards)* | 6.0 2/ | 56.6 | 89.3 |
| Cotton yarn *(1,000 metric tons)* | 0.4 2/ | 7.2 | 13.6 |
| Electricity *(million KWH)* | 696 | 1,292 | 1,382 |

1/ 1935-39 average.
2/ 1947.

## AREA AND POPULATION

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Area *(1,000 square miles)* | | | 13.1 |
| Population *(millions)* | 5.7 | 9.2 | 9.5 |

## PRICES 1/

| | 1950 | 1951 | 1952 |
|---|---|---|---|
| Wholesale price index *(June 1949 = 100)* | 343 | 523 | 541 |

1/ December of year stated.

## INTERNATIONAL TRADE

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Total exports *(millions of U.S. dollars)* | 129.9 | 93.1 1/ | 119.5 1/ |
| Total imports *(millions of U.S. dollars)* | 104.3 | 84.3 1/2/ | 109.1 1/2/ |
| Trade balance | +25.6 | +8.8 | +10.4 |
| Commodity exports *(1,000 metric tons)* | | | |
| Rice | 649.0 | 84.9 | 105.3 |
| Sugar | 996.4 | 283.5 | 459.5 |

1/ Bank of Taiwan exchange settlement figures.
2/ Excludes MSA financed imports.

## CENTRAL GOVERNMENT FINANCES

GENERAL FUND - NATIONAL AND PROVINCIAL GOVERNMENTS

*(Millions of U.S. $, Converted at Rate of 15,65 New Taiwan Dollar per U.S. Dollar)*

| ITEM | FISCAL YEAR ENDING DECEMBER 31 | | |
|---|---|---|---|
| | 1951 (ACTUAL) | 1952 (ACTUAL) | 1953 (BUDGET) |
| REVENUE-TOTAL | 128 | 170 | 210 |
| Taxes and Other | 109 | 125 | 146 |
| Counterpart | 19 | 45 | 64 |
| EXPENDITURE-TOTAL | 138 | 176 | 211 |
| National Defense 1/ | 76 | 99 | 132 |
| *(Percent of Total Expenditure)* | (55) | (56) | (63) |
| Other | 62 | 77 | 79 |
| DEFICIT OR SURPLUS BEFORE USE OF COUNTERPART | - 29 | - 51 | - 65 |
| RECEIPTS FROM COUNTERPART: | | | |
| Budgetary | + 11 | + 18 | + 13 |
| Extrabudgetary | + 8 2/ | + 27 | + 51 |
| DEFICIT OR SURPLUS AFTER USE OF COUNTERPART | - 10 | - 6 | - 1 |

1/ Includes security police.
2/ June 30-December 31, 1950.

## PROGRAM COST BY MAJOR PROJECT CATEGORY a/

*(In Thousands of Dollars)*

| MAJOR PROJECT CATEGORY | ACTUAL | ESTIMATE | ESTIMATE FY 1954 | | | | |
|---|---|---|---|---|---|---|---|
| | | | TOTAL | SUPPLIES AND EQUIPMENT | SERVICES | | |
| | FY 1952 | FY 1953 | | | TOTAL | U.S. TECHNICIANS | TRAINEES |
| 1. Health and Sanitation | $ 249 | $ 490 | $ 740 | $ 466 | $ 274 | $ 194 | $ 80 |
| 2. Agriculture, Forestry, Fisheries | 16,789 | 13,715 | 12,930 | 12,488 | 442 | 272 | 170 |
| 3. Transportation, Power, Other Public Works | 6,958 | 7,985 | 5,885 | 5,810 | 75 | 5 | 70 |
| 4. Manufacturing, Mining, Other Industry. | 2,655 | 6,215 | 9,165 | 8,962 | 203 | 98 | 105 |
| 5. General Engineering Advisory Services. | 500 | 300 | 590 | -- | 590 | 590 | -- |
| 6. Education | 22 | 236 | 410 | 125 | 285 | 195 | 90 |
| 7. Public Administration | 349 | 336 | 653 | -- | 653 | 453 | 200 |
| 8. Other Projects | -- | -- | -- | -- | -- | -- | -- |
| 9. Mairtenance of Essential Supply | 40,691 | 45,723 | 39,627 | 39,627 | -- | -- | -- |
| TOTAL PROGRAM COST | $ 68,317 b/ | $ 75,125 b/ | $ 70,000 | $ 67,478 | $ 2,522 | $ 1,807 | $ 715 |

a/ Does not include funds provided for direct military support (common-use items) as follows: FY 1952, $13.3 million; FY 1953, $30.5 million. FY 1954 requirements are included in the Military Defense Assistance Program.
b/ Includes costs not allocable by activity field as follows: FY 1952, $104,000; FY 1953, $125,000.

# INDIA

1. General Situation

India is the most populous country in the free world. It is an important supplier of mica and manganese to the United States. Strategically located on the southern border of Red China and the Soviet Union, between the Arabian Sea and the Indian Ocean, India is potentially the most powerful bastion of free Asia. Even at the present time its political influence extends throughout the underdeveloped area from Africa to Southeast Asia. Now in its sixth year as an independent, democratic nation, India completed successfully in 1952 the largest free national elections in the world's history. The democratic Congress Party secured control of the Central Government by a wide margin, but the Communist Party emerged as the second largest single party.

Since gaining their independence, the level of living of the mass of Indian people has deteriorated. Clear evidence of effective progress toward the eradication of the major economic ills facing the country is necessary to justify to the people the present democratic form of government. The physical goals set forth in India's 5-Year Plan represent a minimum beginning in this progress. Yet India does not have the resources to achieve these goals. After taking account of domestic taxation and borrowing, use of foreign exchange reserves and foreign aid already received or in prospect, it is estimated that achievement of the minimum goals of the 5-Year Plan will require additional resources of over $700 million during the remaining three years.

2. Program Objectives

(a) To approach self-sufficiency in food production by raising the annual output of food grains by 7.6 million tons over 1951 levels;
(b) To raise the total national real output and income by 11 percent (in the aggregate);
(c) To eradicate malaria;
(d) To lay the foundation for self-sustaining economic development and for further industrialization.

Special economic aid is proposed to permit an expansion and acceleration of the technical assistance program in order to help India reach the minimum developmental goals essential to economic and political stability. Special economic aid will help lay the foundation for a process of self-sustaining economic development and further industrialization. By assisting the private industrial sector of the Indian economy through essential imports of industrial raw materials and capital equipment, which India cannot finance itself, special economic aid will also help meet India's acute unemployment problem.

3. Major Activities and Progress to Date

The Community Development program brings to large numbers of the Indian rural population a grass-roots extension program in the fields of agriculture, health, education and small industry. Fifty-five community project centers have been opened, and by October 1953 an additional 55 community project centers will be opened, servicing the needs of about 22,000 Indian villages and of about 21 million people.

U.S. extension specialists in India in one month reached 28,000 persons in 877 villages. As a result of seed and fertilizer demonstrations, rice production in one community development area is already 2½ times last year's level. Six U.S. engineers are assisting the Indian Ministry of Irrigation and Power in dam design and construction. Projects receiving United States assistance will bring 3.7 million acres of land under irrigation and provide power capacity of 325,000 kw by 1956.

4. Plans for FY 54

Under the proposed FY 54 program the Community Development program would be extended to cover an additional 22,000 villages with a population of 21 million, covering a cultivated area of 11 million acres. ($87 million) Water for these and other areas will be provided by wells capable of irrigating 640,000 acres and increasing food-grain production by an estimated 480,000 tons. ($12,000,000) Additional water will come from river valley development projects, which, when completed, can increase food grain production by about 3.72 million tons. Construction equipment and engineering, design, advisory and survey assistance will be provided.

75,000 tons of ammonium sulphate will be distributed to raise output by an estimated 150,000 tons of food grains and to acquaint additional cultivators with the techniques and benefits of fertilization. Steel and iron imports of 124 thousand tons will provide material for the manufacture in India of steel-tipped plows, spike-toothed harrows, hoes, steel cart wheel rims and other farm tools, as well as for irrigation sluice gates and other manufactures needed in the development program. Tools will be distributed primarily through the community development program. (Special Economic Aid $18,200,000) Technical services and equipment will be provided to increase the capacity of the Sindri Fertilizer Plant by 120 thousand tons per annum. The malaria program will be continued and extended. A 1952 project to modernize and partially mechanize fishing equipment, improve fish harbors and inland fisheries, and provide for storage and refrigeration will be extended under the FY 1954 program.

The contribution of the Indian Central and State Governments to this program is estimated at $149,000,000 in rupees.

# INDIA

## GENERAL

| | 1938 | 1952 |
|---|---|---|
| Area : | 1,220,000 sq. mi. | |
| Population: | 304,000,000 | 360,000,000 |

## PRICE INDEXES
(1948 = 100)

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Wholesale: | 26. | 120. | 105. |
| Cost of Living Bombay | 35. | 109. | 111. |

## INCOME AND PRODUCTION

| | 1938 | 1950-51 | 1952 |
|---|---|---|---|
| Per Capita Income (dol.) | n.a. | 53. | 53. |
| Agricultural Production Index (1948 = 100) FAO | n.a. | n.a. | 103.2/ |

(n.a.) not available
2/ 1950

## INTERNATIONAL TRADE
(million dollars)

| | 1938 | 1952 1/ |
|---|---|---|
| Total Exports: | 612. | 1,560. |
| Total Imports: | 560. | 2,030. |
| United States Trade | | |
| Exports to U.S. : | 58.4 | 258. |
| Imports from U.S.: | 33.4 | 605. |
| Principal Commodity Exports: | | |
| Cotton Piece goods (mil. yards) | 201.8 | 423.9 |
| Black Tea (mil. pounds) | 350.6 | 425.5 |
| Jute Burlap and Bags (thous. metric tons) | 961.1 | 809.0 |

1/ FY '52, Apr. 1, '51 - 3/31/52

## CENTRAL GOVERNMENT FINANCES
(million dollars)

| | 1950* | 1951* | 1952* |
|---|---|---|---|
| Revenue | 884.5 | 1,019.3 | 1,240. |
| Expenditures | 1,079.2 | 1,126.0 | 1,227.2 |
| National Defense | 317.1 | 350.9 | 367.1 |
| Other | 762. | 775.1 | 860.1 |
| Deficit | -194.7 | -106.7 | +12.8 |

*Fiscal Years ending 4/1 of year stated.

## PROGRAM COST BY FIELD OF ACTIVITY
(FY 1952 - 1953
(thousand dollars)

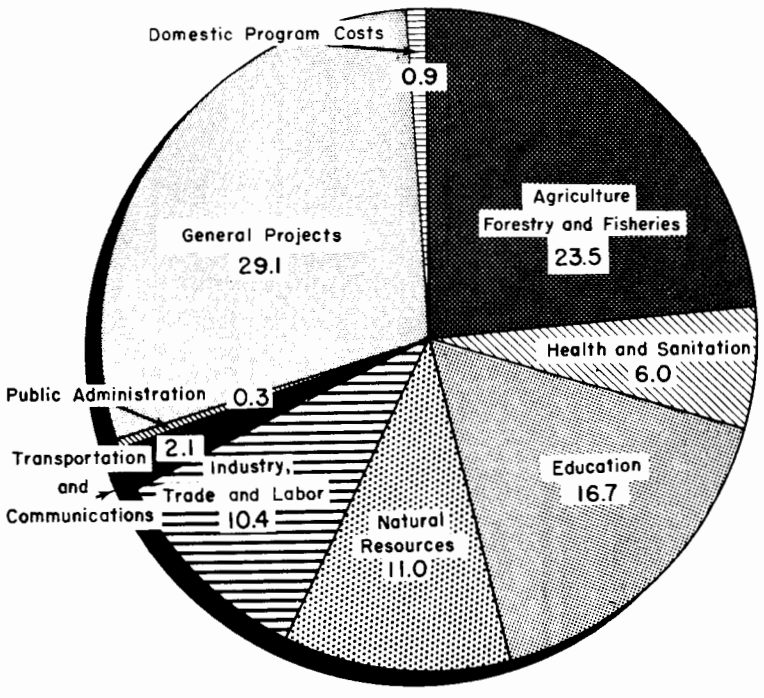
| MAJOR FIELD OF ACTIVITY | FY 1952 | FY 1953 |
|---|---|---|
| Agriculture, Forestry, Fisheries | 28,619.7 | 18,789.0 |
| Health and Sanitation | 770.0 | 5,600.0 |
| Education | 455.0 | 1,430.0 |
| Natural Resources | 5,272.0 | 5,613.0 |
| Industry, Trade & Labor | 8,582.4 | 9,695.0 |
| Transportation and Communications | 62.0 | 86.0 |
| Public Administration | 3.0 | 65.0 |
| General Projects | 8,859.0 | 2,393.1 |
| Domestic Program Expenses | 84.6 | 170.4 |
| TOTAL | 52,707.7 | 43,841.5 |

## DISTRIBUTION OF COSTS FOR FY 1954
(thousand dollars)

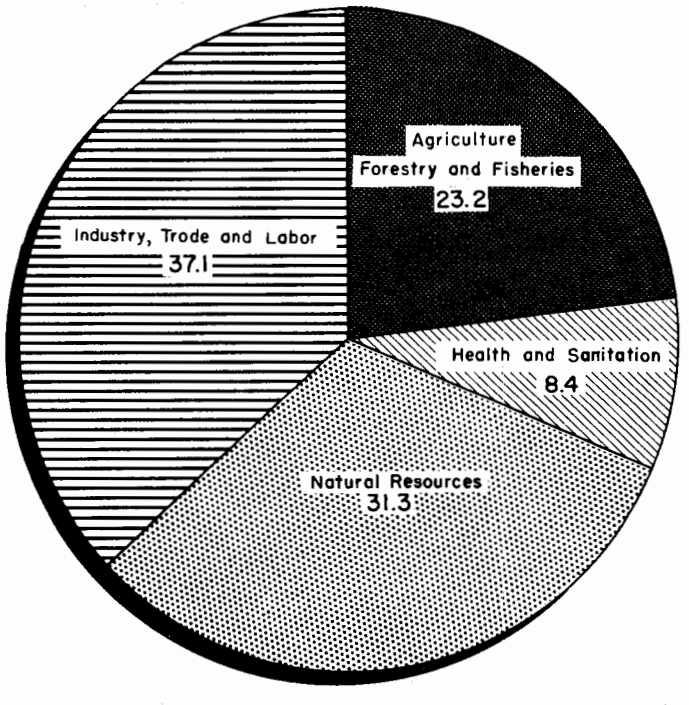
| Total | Technicians | Trainees | T. A. Supplies & Equipment | Special Econ. Aid |
|---|---|---|---|---|
| 25,575. | 793. | 210. | 6,072. | 18,500. |
| 8,507. | 351. | 90. | 1,366. | 6,700. |
| 5,034. | 929. | 75. | 4,030. | -00- |
| 28,316. | 831. | 60. | 2,425. | 25,000. |
| 32,832. | 877. | 120. | 2,135. | 29,700. |
| 639. | 65. | 45. | 529. | -00- |
| 81. | 26. | 15. | 40. | -00- |
| 8,763. | 663. | — | 8,100. | -00- |
| 253. | 184. | 69. | -00- | -00- |
| 110,000. | 4,719. | 684. | 24,697. | 79,900. |

# PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY, FY 1954

## Technical Assistance




## Special Economic Aid



# ASSOCIATED STATES OF INDOCHINA

1. Objectives of U. S. Defense Support

The war against the communist Viet Minh has no conventional "battlefronts." It is waged along political and economic as well as military lines. All phases of the U. S. program directly or indirectly support the defense effort. U. S. objectives in the Associated States are: (a) to support the French and Associated States forces by providing certain transport and communication facilities, and helping care for war refugees; (b) to assist in civilian resettlement for protection against communist raids; (c) to increase the effectiveness and broaden the popular support of the Associated States' Governments, and (d) to help increase the production of goods for civilian and military use and for export.

2. Progress in Support of the Defense Effort

The U. S. program has financed construction and repair of roads, bridges and airstrips, and improvement of ports and inland waterways, activities which provide logistical support for the anti-communist armies. Direct defense support in the form of imported equipment and machinery, drugs and petroleum products for the use of the armed forces has also been provided.

Direct relief for more than a million refugees from the war zone has been provided and the Government of Viet Nam has been assisted in resettling several thousand on idle land. A new approach to pacification of the area was initiated this year at Dong Quan, near Hanoi, in a project largely financed by counterpart funds. Designed to prevent the Viet Minh from forcibly obtaining food and conscripts from the largely defenseless farming people, the project provides for the regrouping of 25 small villages into a readily defensible center.

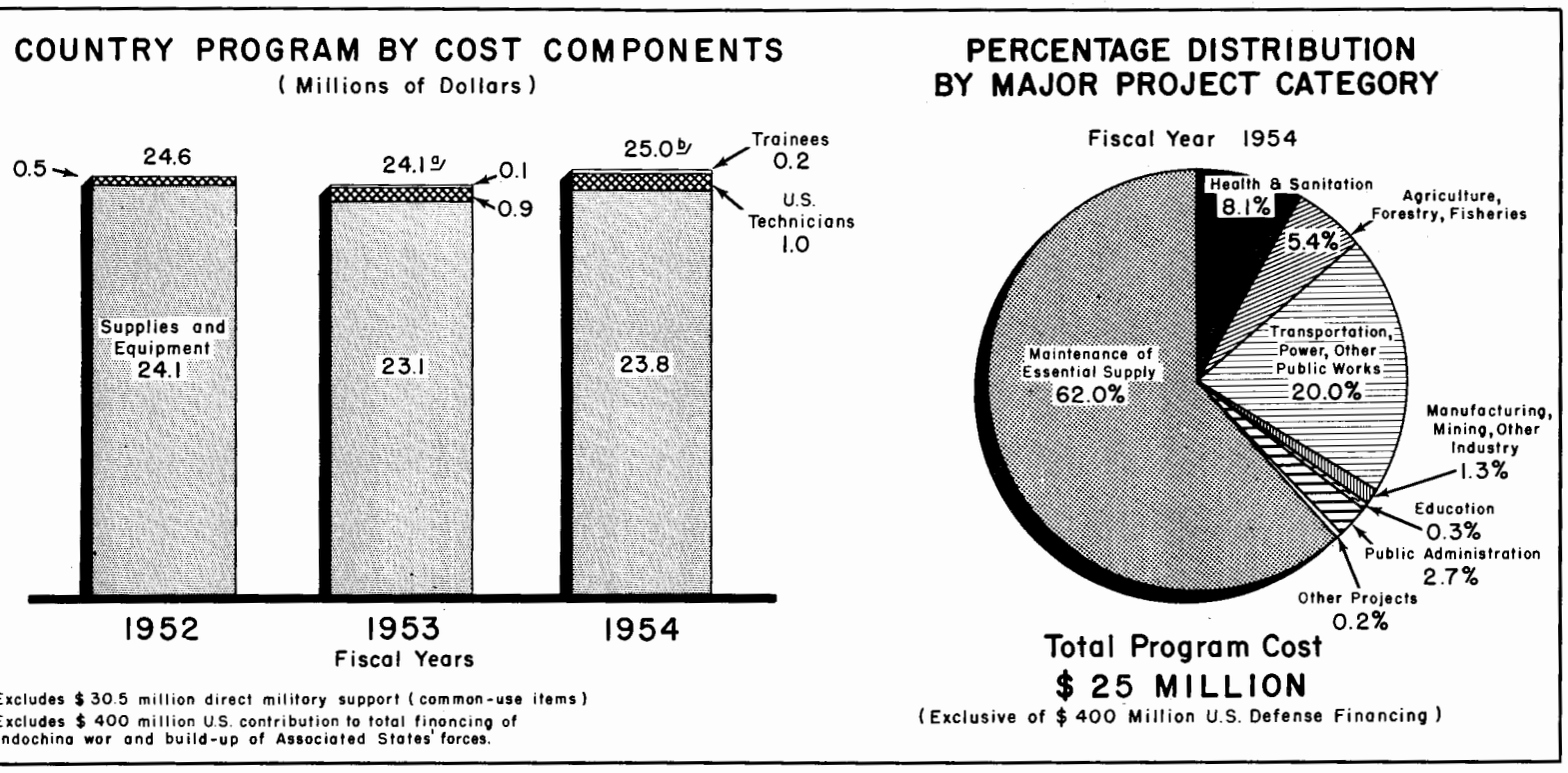
The U. S. has been providing supplies, equipment and advice to assist in building sound public health and agricultural services. Since 1951, protection against malaria has been extended to over a million people and 1,800 first aid dispensaries in rural areas have been established. Projects to demonstrate improved farming methods, to rehabilitate irrigation works, to develop improved seed strains, and to provide better grain storage facilities, have also been supported by the U. S.

3. FY 1954 Defense Support Program

Activities of the type begun in earlier years will be continued but at a quickened tempo. New defensible centers patterned on Dong Quan, work on highways and harbors, agricultural, education and relief activities, and health and education programs are included in the 1954 program.

4. Country Contribution to the Mutual Security Program

The war has put a burden on the limited resources of the Associated States which they cannot bear alone. Viet Nam devotes almost two-thirds of its revenues to support of military forces. A substantial part of her civil expenditures also contribute directly to the war effort. U. S. assistance is urgently required to close the gap between essential needs and resources available for the building of national strength.



SECRET
SECURITY INFORMATION

# INDOCHINA

## PRODUCTION *(Key Items)*

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Rice, milled *(1,000 metric tons* ..... | 4,570.0 | 3,810.2 1/ | 4,000.7 1/ |
| Corn *(1,000 metric tons)* ..... | 568.1 | 175.0 1/ | 175.0 1/ |
| Coal *(1,000 metric tons)* ..... | 2,335.2 | 624.0 | 834.0 |
| Electricity *(million KWH)* ..... | 100.8 | 208.8 | 226.4 2/ |

1/ Crop year ending in year stated.
2/ January-November.

## AREA AND POPULATION

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Area *(1,000 square miles)* .... | | | 287 |
| Population *(millions)* ..... | 23.5 | 28.5 | |

## PRICES

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Wholesale - price index *(1949 = 100)* ..... | 5 | 124 | 138 |
| Cost-of-living index *(1949 = 100)* ..... | | | |
| Food ..... | 2 1/ | 120 | 155 |
| All Items ..... | 2 1/ | 127 | 151 |

1/ 1939

## INTERNATIONAL TRADE

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Total exports *(millions of U.S. dollars)* 1/. | 82 | 135 | 93 2/ |
| Total imports *(millions of U.S. dollars)* 1/. | 56 | 305 | 345 2/ |
| Trade balance ..... | +26 | -170 | -252 |
| Commodity exports *(1,000 metric tons)* ..... | | | |
| Rice ..... | 1,053.9 | 360.5 | 240.0 |
| Rubber ..... | 58.0 | 53.1 | 61.4 |
| Coal ..... | 1,580.8 | 203.3 | |

1/ Piastre converted at the following rates: 1938 - $.2860: 1951-52 - $.0486.
2/ January-September.

## CENTRAL GOVERNMENT FINANCES OF VIETNAM, LAOS, AND CAMBODIA

*(Millions of U.S. Dollars, converted at 20.58 Piastres per U.S. Dollar)*

| ITEM | FISCAL YEAR ENDING DECEMBER 31 | |
|---|---|---|
| | 1952 (BUDGET) | 1953 (BUDGET) |
| REVENUE-TOTAL 1/ ..... | 259 | 373 |
| EXPENDITURE-TOTAL 1/ ..... | 318 | 500 |
| National Defense ..... | 168 | 280 |
| *(Percent of Total Expenditure)* | (53) | (56) |
| Other ..... | 150 | 220 |
| DEFICIT (—) or Surplus ( + ).... | -59 | -127 2/ |

1/ Includes French contribution for defense and expenditures from said contribution.
2/ Includes substantial Vietnam regional governmental deficits which are expected to be reduced by increased local taxation.

## PROGRAM COST BY MAJOR PROJECT CATEGORY

*(In Thousands of Dollars)*

| MAJOR PROJECT CATEGORY | ACTUAL | ESTIMATE | ESTIMATE FY 1954 | | | | |
|---|---|---|---|---|---|---|---|
| | | | TOTAL | SUPPLIES AND EQUIPMENT | SERVICES | | |
| | FY 1952 | FY 1953 a/ | | | TOTAL | U.S. TECHNICIANS | TRAINEES |
| 1. Health and Sanitation ..... | $ 2,861 | $ 1,590 | $ 2,021 | $ 1,592 | $ 429 | $ 404 | $ 25 |
| 2. Agriculture, Forestry, Fisheries ..... | 850 | 2,560 | 1,345 | 1,025 | 320 | 195 | 125 |
| 3. Transportation, Power, Other Public Works ..... | 2,581 | 1,900 | 5,000 | 4,900 | 100 | 75 | 25 |
| 4. Manufacturing, Mining, Other Industry. | 19 | | 325 | 300 | 25 | 15 | 10 |
| 5. General Engineering Advisory Services. | | | | | | | |
| 6. Education ..... | 272 | 345 | 80 | 10 | 70 | 45 | 25 |
| 7. Public Administration ..... | 880 | 875 | 669 | 474 | 195 | 180 | 15 |
| 8. Other Projects ..... | 302 | 500 | 60 | | 60 | 60 | |
| 9. Mainterance of Essential Supply ..... | 16,735 | 16,230 | 15,500 | 15,500 | | | |
| TOTAL PROGRAM COST | $24,604 b/ | $24,125 b/ | $25,000 c/ | $23,801 | $1,199 | $ 974 | $ 225 |

a/ Excludes $30.5 million provided for direct military support (common-use items). FY 1954 requirements are included in the Military Defense Assistance Program.
b/ Includes costs not allocable by activity field as follows: FY 1952, $104,000; FY 1953, $125,000.
c/ Excludes $400 million U.S. contribution to total financing of Indochina war and build-up of Associated States' forces.

(Continued)

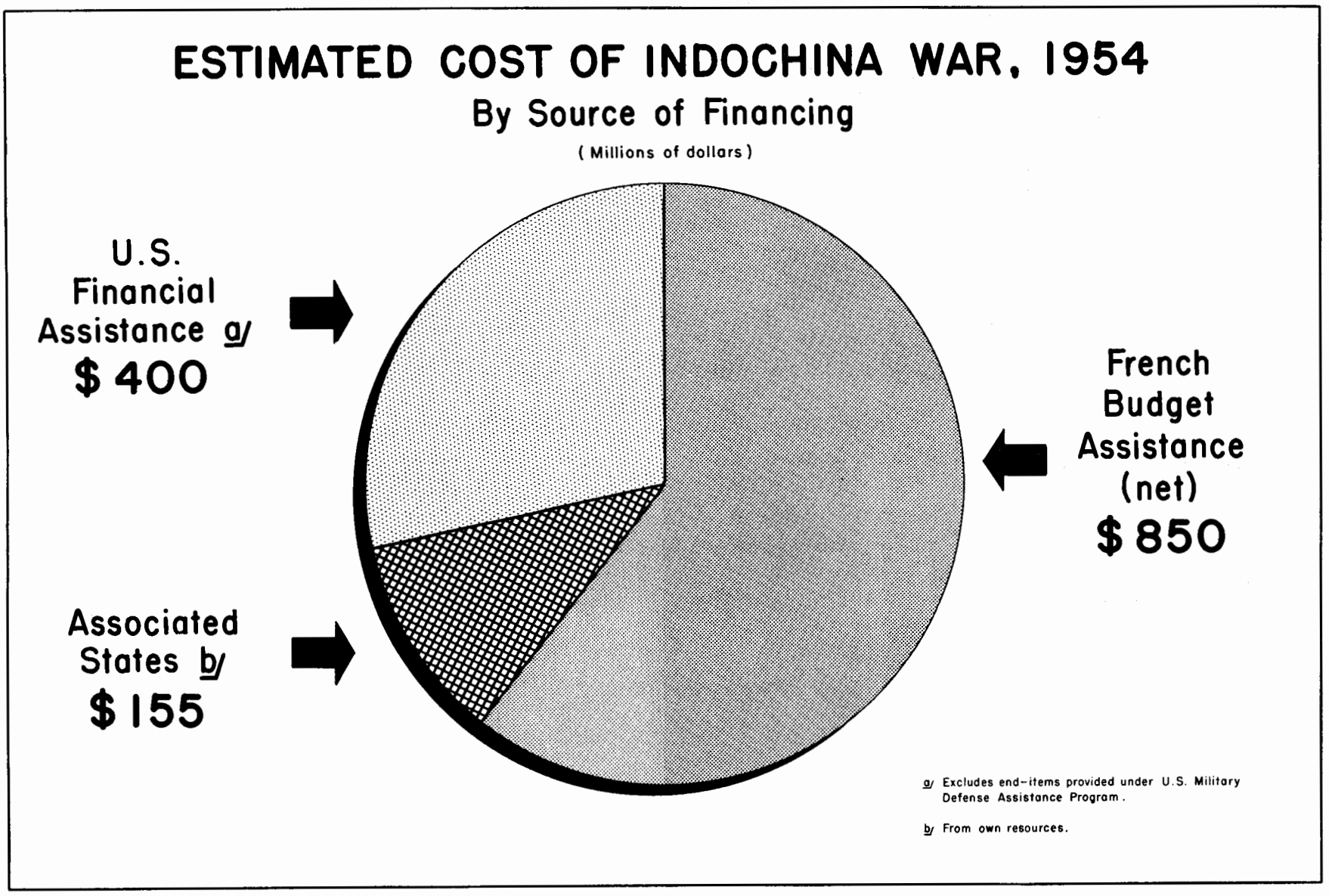
# INDOCHINA

Special Defense Financing

A program of $400 million is proposed to assist in financing the costs of the French and Indochinese forces in their war against Communist troops in Indochina. That war is currently costing the French Government in excess of $1.2 billion per year, not including military end-items supplied under the MDA Program. The proposed program will therefore represent nearly one-third of the costs of that war that have been borne by the French Government.

This program is conditioned on the vigorous prosecution of the campaign against Communist troops in Indochina and on the French budget capability, together with proposed assistance, to support the campaign on an undiminished scale and to increase it to the extent feasible.

The logistical and supply responsibility for the war in Indochina rests with the French Government and it is not proposed that the U. S. inject itself directly into supply and procurement channels. The $400 million will not be used for direct procurement by the U. S., but will rather be used to reimburse the French Government in connection with its expenditures in support of the war in Indochina.



SECURITY INFORMATION

# INDOCHINA

This assistance will not be limited to financing of major items of military equipment. Large quantities of consumable supplies are required by the fighting forces in Indochina and a substantial part of our special defense financing will need to be applied to such supplies, including fuel, individual soldier equipment and clothing, equipment spare parts, as well as substantial quantities of ammunition and weapons produced in France. Although the expenditures to be eligible for U. S. reimbursement will be subject to an understanding with the French Government at the outset of the program, the program must be kept adaptable throughout the year to the exigencies of a hot war and the changing requirements corresponding to the actual fighting and consumption of supplies.

The supply program which the U. S. will assist in financing is for both French and Indochinese troops, including Indochinese fighting with the French Union forces and the troops in the national military establishments of the Associated States.

This program, besides providing direct support to the troops on the fighting line in Indochina, will make clear to the French Government and French people our contribution toward that effort and the fact that a satisfactory improvement and continuation in that campaign is the condition for receipt of that aid. This program will provide needed support for those in France who believe France must continue the war in Indochina while building up troops under NATO for the defense of Western Europe.

ESTIMATED COST OF INDOCHINA WAR, 1954

By Object of Expenditure

(Millions of dollars)

| Type of Expenditure | French Forces | Associated States Forces | Total |
|---|---|---|---|
| A. Ground Forces | | | |
| 1. Pay and Allowances | $ 300 | $ 160 | $ 460 |
| 2. Personal Supplies & Equipment | 230 | 150 | 380 |
| 3. Materiel and Supply | 220 | 90 | 310 |
| 4. Construction | 110 | 5 | 115 |
| B. Air Force & Navy | 135 | 5 | 140 |
| TOTAL COST | $ 995 | $ 410 | $1,405 |

# INDONESIA

1. General Situation:

Indonesia was born in a revolutionary struggle for freedom which followed hardships and destruction suffered in World War II. The nation continues to face enormous problems in establishing law and order throughout its vast territories, and in initiating constructive programs to improve economic conditions. In 1952, there was a serious deterioration in Indonesia's balance of payments because of lower world prices for rubber, tin and copra, Indonesia's main exports. As a result, the country's foreign exchange and gold holdings declined sharply from $450 million in February 1952 to $287 million as of March 1953.

Indonesia's most urgent economic problem is inadequate food production. Even with increased imports, food availability per capita is considerably lower than pre-war. Under-employment and the lack of trained technicians, administrators, professional personnel and skilled workers is a major problem. This situation is further aggravated by the lack of indigenous capital resulting from the fact that business and commerce have traditionally been handled by the Dutch and Chinese.

2. Program Objectives:

The technical cooperation program of $4 million proposed for the fiscal year 1954 is designed to assist Indonesia in meeting three of its most critical economic problems: shortage of foodstuffs, low industrial productivity, and lack of trained Indonesian technicians and professionals. These objectives will be met specifically by assisting in:

a. Improving technical competence of agricultural workers, primarily through extension methods;
b. Training technicians in the crafts and in industry, as well as rehabilitating and extending small-scale production units;
c. Improving and developing educational methods which can reach the masses of the people, and improving indigenous schools and training facilities.

3. Major Activities and Progress to Date:

During the 1951-53 fiscal years, U.S. programs emphasized the expansion of food production by small irrigation works, by improving corn seeds, by distribution of fertilizer and simple agricultural implements, and by a demonstration of mechanized fishing methods. An irrigation project has helped double yields on 7,500 acres. Ten thousand tons of fertilizer have been distributed and 375,000 hoes, 25,000 machetes, 20,000 axes, and other agricultural implements have been distributed in the provinces to help replace wartime destruction and deterioration. New and more productive corn strains have been developed. A large rice production program in Borneo will rehabilitate about 370,650 acres of old rice fields and gradually bring about the reclamation of immense marshy areas. Eighty motorized fishing boats and 340 engines for locally-built boats have been provided and have increased fisheries production in 1952 by 15,000 tons over 1951.

In the field of health and sanitation, 16 of Indonesia's 50 nurses have graduated from the first nurse-teacher school in Indonesia and 2,000,000 people have been protected from malaria by a DDT spraying program.

In small industry improvement, the Indonesian program has truly done pioneering work. With the improved methods and products designed by the Ceramics Research and Training Institute, labor productivity in the ceramics shops has risen substantially and wages in the Indonesian-run shops in the town rose by 50 per cent in the period from December 1952 to March 1953.

The advisory services of an American engineering firm provided under the 1951-53 programs have directly assisted Indonesian development in public utilities and industrial development. This work has resulted in cutting ships' turn-around time in Djakarta's harbor by one-half, and in sharply reducing the time for airplane engine repair.

4. Plans for Fiscal Year 1954:

Under the proposed $4 million technical assistance program for Fiscal Year 1954, U.S. engineers will continue to give operational assistance to land-development-machinery pools, and technical advice and agricultural engineering instruction to assist in opening new lands for settlement. Limited supplies and equipment directly needed by these technicians are included ($494,000). In an attempt to bridge the gap between the research station and the farmer, experts will help the Indonesians build up their very short supply of support personnel, to backstop extension workers as well as assist in developing new educational materials and methods suitable to the area ($320,000). Projects in the improvement of rice and corn strains ($145,000), and in improving methods, transportation and marketing ($200,000) will carry on work already begun in these fields.

Malaria control activities ($335,000) will demonstrate the importance and methods of mosquito control through development and distribution of audio-visual materials and the training and use of village level workers.

A sum of $700,000 is also being allocated in FY 1954 for the services of highly skilled American engineers plus 7 support personnel to provide top-level advice on industrial and public works projects in the Asahan River Valley and South Kalimantan. In addition, the work initiated under the 1951-53 programs in labor training, technical education, English Language training and small industry development will be carried forward.

# INDONESIA

GENERAL

| | 1937 | 1951 |
|---|---|---|
| AREA | 583,000 square miles | |
| POPULATION | 67,398,000 | 76,500,000 |

PRICE INDEXES
(1948=100)

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Wholesale | N.A. | N.A. | N.A. |
| Cost of living (Djakarta) | 8 | 189 | 199 |

INCOME AND PRODUCTION

| | 1938 | 1950 | 1952 |
|---|---|---|---|
| Per Capita Income (dollars) | N.A. | 40. | N.A. |
| Agricultural Production Index (1935-39=100) | N.A. | 96. | N.A. |

INTERNATIONAL TRADE
(million dollars)

| | 1937 | 1951 |
|---|---|---|
| Total Exports | 546. | 1,231. |
| Total Imports | 274. | 805. |
| United States Trade | | |
| Exports to U.S. | 115. | 266. |
| Imports from U.S. | 25. | 162. |
| Principal Commodity Exports | | |
| Copra (1000 metric tons) | 506 | 525 |
| Rubber (1000 metric tons) | 473 | 756 |
| Tin Concentrates (1000 metric tons) | 26 | 31 |
| Sugar (1000 metric tons) | 1,365 | 6 |

CENTRAL GOVERNMENT FINANCES
(million dollars)

| | 1950 | 1951 | 1952 |
|---|---|---|---|
| Revenue | 409.5 | 998.3 | 910.1 |
| Expenditures | 571.5 | 885.2 | 1,299.5 |
| National Defense | 183.0 | 337.2 | 483.6 |
| Other | 388.5 | 548.0 | 815.9 |
| Deficit | -162.0 | -113.1 | -389.4 |

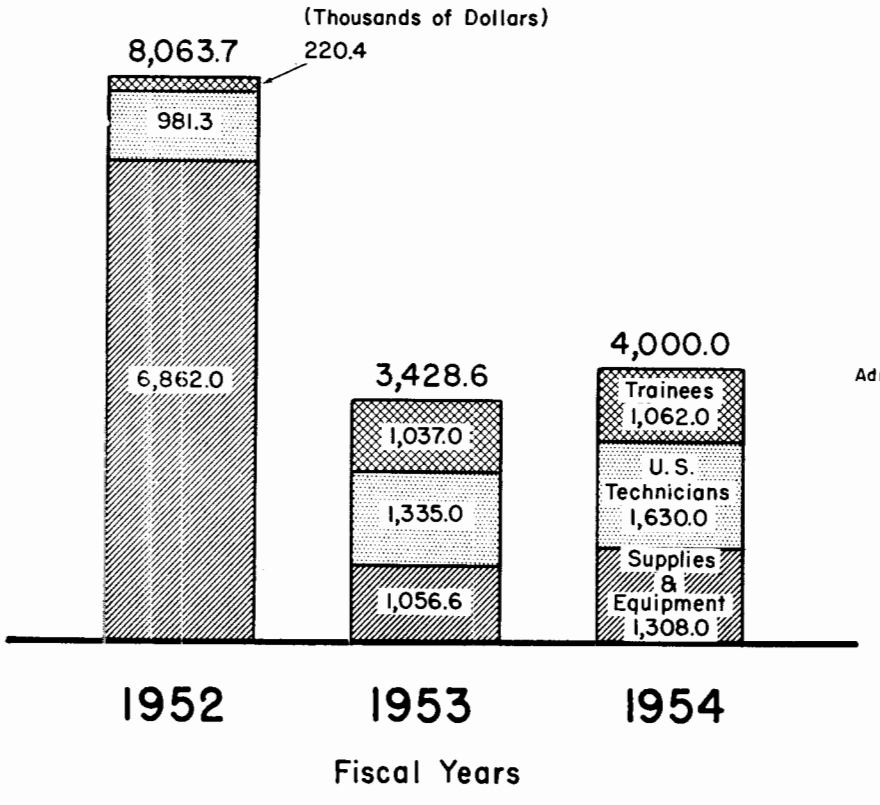
PROGRAM COST BY FIELD OF ACTIVITY
FY 1952 - 1953
(thousand dollars)

| MAJOR FIELD OF ACTIVITY | FY 1952 | FY 1953 |
|---|---|---|
| Agriculture, Forestry, Fisheries | 2,854.0 | 1,110.0 |
| Health and Sanitation | 1,223.0 | 525.0 |
| Education | 1,998.0 | 431.0 |
| Natural Resources | - | - |
| Industry, Trade & Labor | 889.0 | 828.0 |
| Transportation and Communications | 561.0 | - |
| Public Administration | 225.0 | - |
| General Projects | 250.0 | 700.0 |
| Domestic Program Expenses | 63.7 | 134.6 |
| TOTAL | 8,063.7 | 3,728.6 |

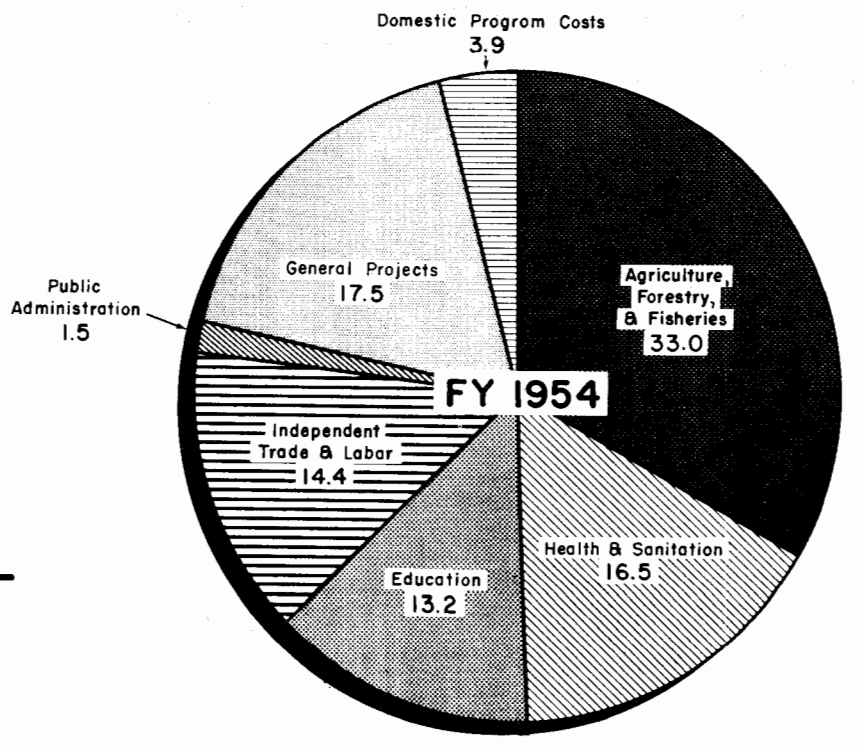
DISTRIBUTION OF COSTS FOR FY 1954
(thousand dollars)

| Total | Technicians | Trainees | Tech.Assis. Supplies & Equipment | Special Economic Aid |
|---|---|---|---|---|
| 1320. | 374. | 410. | 536. | - |
| 659. | 209. | 100. | 350. | - |
| 526. | 204. | 120. | 202. | - |
| - | - | - | - | - |
| 576. | 78. | 285. | 213. | - |
| - | - | - | - | - |
| 60. | 13. | 40. | 7. | - |
| 700. | 700. | - | - | - |
| 159. | 52. | 107. | - | - |
| 4,000. | 1,630. | 1,062. | 1,308. | - |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# NEPAL

1. General Situation:

Nepal's position in control of the Himalayan passes between Communist China and India has given that country an importance in the Indian Subcontinent out of all proportion to its size. This importance is recognized by the Indian Government and expressed in its support for Nepal's development effort. Until 1950 the country's government rested in the hands of hereditary prime ministers. The new government is committed to democratic methods, but is hampered in its struggle for stability by (a) the practical absence of trained or experienced administrators and technicians, (b) the lack of a strong base of popular support, (c) inadequate communications which make sporadic local uprisings difficult to handle and infiltration from China impossible to control, and (d) an exceptionally low standard of living, combined with a lack of the resources for improving it. The government is anxious to develop the country, but does not yet have completed plans or adequate financial resources to carry out the necessary program.

2. **Program Objectives:**

**a. Help expand the food-production base of the country,**
**b. Help begin a program to eliminate malaria,**
**c. Assist in training the leadership necessary for an effective and stable society.**

3. Major Activities and Progress to Date:

The concept of an agricultural extension service was unknown in Nepal until recently. It is therefore one of the major objectives of the program to assist in the training and employment of subprofessional village-level workers who can bring improved techniques to the farmers and help them in making best use of the irrigation water and improved tools that are made available to them. U. S. extension workers were instrumental in opening the first training school in Nepal for village level workers in 1952. The first class of 41 trainees graduated in December and began extensive work in villages in the Valley of Katmandu. Successive classes of 50 trainees are being graduated every 6 months and the school has more applicants for training than it can accommodate.

**Two smaller projects have rounded out the program. A public health physician, working in cooperation with a UN team, has begun a malaria control program in FY 1953 and has provided training and technical advice to agricultural extension students as to methods for carrying out a village-sanitation program. Since FY 52 a minerals specialist has acted as technical adviser to the Nepalese Government in evaluating** and developing mining methods for small lead, zinc, cobalt, gold, copper, salt and limestone deposits.

4. Plans for FY 1954

**The Village Development Program - ($112,000) launched in FY 1952 will be continued and expanded as additional village level workers are trained. Small amounts of tools, fertilizer, seed and fungicide will be imported to support the village-development program.**

**Several small projects to expand the irrigated acreage ($303,000) will be assisted. They will mark the beginning of a modern irrigation program in Nepal and will provide the experience, training and** demonstration on which an expanded program by the Nepalese will be based. Specifically, assistance will be furnished in drilling tubewells to irrigate 8,000 acres and increase foodgrain production by an estimated 1,600 tons annually, for carrying out two small diversion irrigation projects, and for irrigation pumping units.

Malaria control and village-sanitation work ($84,000) will be expanded in the village-development areas and in the lowlands to permit cultivation of new areas and an intensification of agricultural production in presently-cultivated areas.

# NEPAL

| GENERAL | 1937 | 1952 |
|---|---|---|
| Area : | 54,000 square miles | |
| Population: | 6,000,000 | 7,000,000 |

| INTERNATIONAL TRADE (million dollars) | 1937 | 1952 |
|---|---|---|
| Total Exports: | 5. | 21. |
| Total Imports: | 8. | 12. |
| United States Trade | | |
| Exports to U.S. : | n.a. | negligible |
| Imports from U.S.: | n.a. | negligible |
| Principal Commodity Exports: | | |
| Raw Jute | 1.1 | 13. |
| Rice | 1.8 | 3. |
| Oilseeds | .7 | n.a. |

| PRICE INDEXES | 1938 | 1951 | 1952 |
|---|---|---|---|
| Wholesale: ) | | | |
| ) | (Information not available) | | |
| Cost of Living: ) | | | |

| CENTRAL GOVERNMENT FINANCES | 1950 | 1951 | 1952 |
|---|---|---|---|
| Revenue ) | | | |
| Expenditures ) | | | |
| National Defense) | (Information not available) | | |
| Other ) | | | |
| Deficit ) | | | |

| INCOME AND PRODUCTION | 1938 | 1951 | 1952 |
|---|---|---|---|
| Per Capita Income ) | | | |
| Agricultural Production Index) | (Information not available) | | |

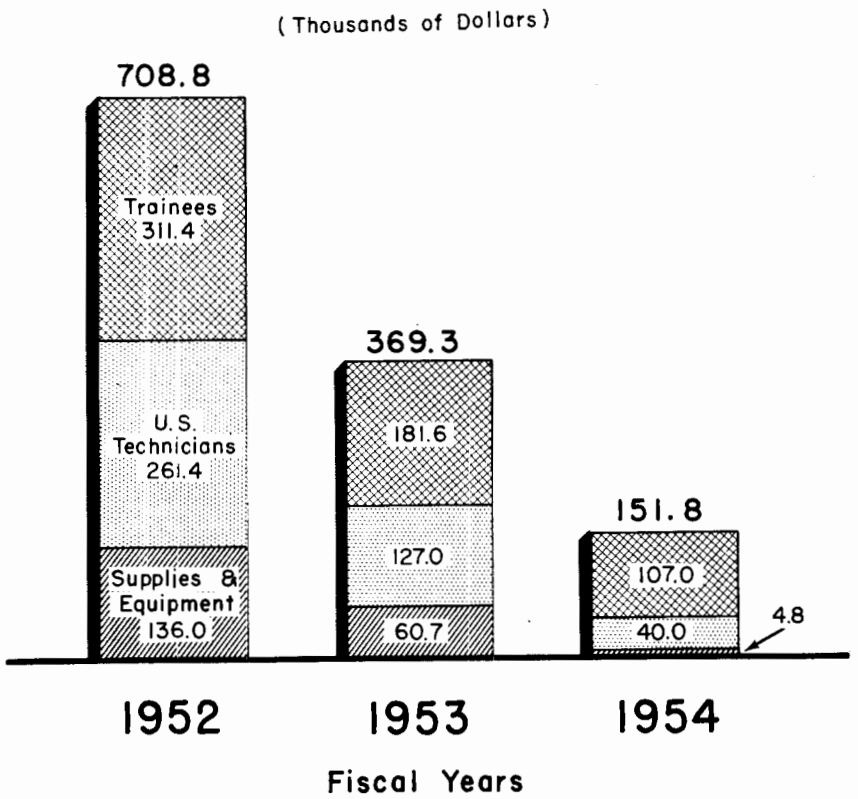
PROGRAM COST BY FIELD OF ACTIVITY
FY 1952 - 1953
(thousand dollars)

| MAJOR FIELD OF ACTIVITY | FY 1952 | FY 1953 |
|---|---|---|
| Agriculture, Forestry, Fisheries | 50.4 | 324.4 |
| Health and Sanitation | 123.7 | 57.0 |
| Education | -- | -- |
| Natural Resources | 25.3 | 33.0 |
| Industry, Trade & Labor | -- | -- |
| Transportation and Communications | -- | -- |
| Public Administration | -- | -- |
| General Projects | -- | -- |
| Domestic Program Expenses | 2.1 | 14.0 |
| TOTAL | 201.5 | 428.4 |

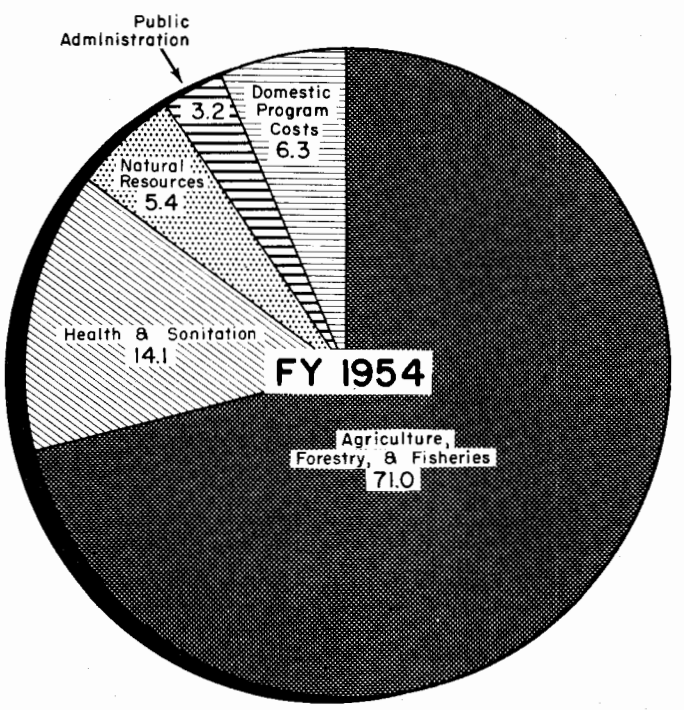
DISTRIBUTION OF COSTS FOR FY 1954
(thousand dollars)

| Total | Technicians | Trainees | T. A. Supplies & Equipment | Special Econ. Aid |
|---|---|---|---|---|
| 425.8 | 119.4 | 30.0 | 276.4 | — |
| 84.8 | 30.8 | 20.0 | 34.0 | — |
| -- | -- | -- | -- | -- |
| 32.4 | 15.4 | 16.0 | 1.0 | — |
| -- | -- | -- | -- | -- |
| — | — | -- | -- | -- |
| 19.0 | — | 19.0 | — | -- |
| — | — | -- | -- | -- |
| 38.0 | 16.0 | 22.0 | -- | -- |
| 600.0 | 181.6 | 107.0 | 311.4 | — |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# PAKISTAN

1. General Situation

As the largest of the Moslem countries Pakistan's influence extends over a large part of the underdeveloped areas of the free world. At the same time Pakistan is one of the Moslem countries most friendly to the Western democracies and an important factor in the stability and orientation of the Middle and Far East. Economically Pakistan is of importance in the free world as an important exporter of cotton and jute. It is in the U.S. interest to aid Pakistan in its efforts to raise standards of living, maintain democratic government and pursue its policy of peaceful settlement of differences with India.

Pakistan's economic situation is critical Soft world markets in cotton and jute in 1952 have resulted in drastic reductions in foreign exchange earnings, and consequently in imports. Government revenues have fallen and the government is facing an almost insuperable task in trying to finance its internal development costs.

Severe droughts in 1951 and 1952 planting seasons have resulted in serious food shortages. In 1952 the United States granted an emergency wheat loan of $15 million. Recently the U. S. Congress authorized the shipment of 700,000 to 1,000,000 tons of price support wheat to Pakistan to meet the threatened famine. The first shipload of this wheat is already en route to Pakistan.

Pakistan's own development program is directed, first, toward a quick increase of food production, and second, to lay a foundation for diversification and industrialization.

2. Program Objectives:

The principal objectives of the Technical Cooperation Program in Pakistan are:

1. To increase food production quickly to prevent recurring economic and political crises; 2. To improve productivity, income and welfare of the rural population through the village agricultural and industrial development program; 3. To lay a modest basis for future industrial development to stabilize the economy.

3. Major Activities and Progress to Date:

The joint U.S.-Pakistan cooperative effort in 1952 and 1953 has stressed a program of village development. This program assists in meeting the needs of the Pakistan village by an integrated attack on problems of low agricultural productivity, poor health conditions, underemployment and undeveloped village industry.

In contributing directly to increasing food production in Pakistan, 13,000 tons of artificial fertilizers were shipped to Pakistan under the FY 1952 program and shipments under the FY 1953 program total about 75,000 tons. This fertilizer is distributed to farmers in a program for demonstrating the benefits of its use. Land reclamation and water development projects have also been initiated.

A cooperative project to supply medical institutions in Pakistan with laboratory equipment, technical literature and other equipment was begun in 1952 and was carried through 1953.

4. Plans for Fiscal Year 1954

Under the combined program of technical assistance ($13,000,000) and special economic aid ($14,500,000) for Pakistan in fiscal year 1954, village development activities will be accelerated. $4,820,000 is allocated directly for village development under the Act for International Development, though this will be augmented by fertilizer and other supplies provided under the special economic aid authorization.

The preparatory work on water resources development included in the fiscal year 1952 and 1953 programs will be expanded in 1954. Exploratory tube-well drilling and technical advice on dam construction and extensive engineering services for a comprehensive water development effort in the Ganges and Bramaputra Rivers of East Pakistan will be provided under the Act for International Development.

The remainder of the fiscal year 1954 combined technical assistance and economic aid programs will be concentrated on urban sanitation improvement and educational development.

Pakistan's contribution to this program is estimated at $37,264,000 million in rupees.

# PAKISTAN

| GENERAL | 1938* | 1951 |
|---|---|---|
| AREA | 366,000 sq. miles | |
| POPULATION | | 75,842,000 |

| PRICE INDEXES (1948=100) | 1938* | 1951 | 1952 |
|---|---|---|---|
| Wholesale | | N.A. | N.A. |
| Cost of living (Karachi) | | 104. | 101. |

| INCOME AND PRODUCTION | 1938* | 1951 | 1952 |
|---|---|---|---|
| Per Capita Income(dollars) | | N.A. | 50 |
| Agricultural Production Index(1949/50=100) | | N.A. | 89 |

*No pre-war figures are available for Pakistan separately from India.

PROGRAM COST BY FIELD OF ACTIVITY
FY 1952 - 1953
(thousand dollars)

| Major Field of Activity | FY 1952 | FY 1953 |
|---|---|---|
| Agriculture, Forestry, Fisheries | 1,655. | 6,967. |
| Health and Sanitation | 475. | 495. |
| Education | 745. | 310. |
| Natural Resources | 6. | 124. |
| Industry, Trade & Labor | 4,174.5 | 3,048. |
| Transportation & Communications | 1,100. | 17. |
| Public Administration | 43.0 | 12. |
| General Projects | 2,370.0 | 747.3 |
| Domestic Program Expenses | 32.2 | 75.5 |
| TOTAL | 10,600.7 | 11,795.8 |

INTERNATIONAL TRADE
(million dollars)

| | 1950/51 | 1951/52 |
|---|---|---|
| Total Exports | 693. | 695. |
| Total Imports | 455. | 583. |
| United States Trade | | |
| Exports to U.S. | 45.8 | 21.5 |
| Imports from U.S. | 33.9 | 31.9 |
| Principal Commodity Exports | | |
| Raw Cotton (1000 metric tons) | 298.5 | 174.2 |
| Raw Jute (1000 metric tons) | 1,112.5 | 1,036.5 |
| Raw Wool (1000 metric tons) | 14.4 | 8.9 |

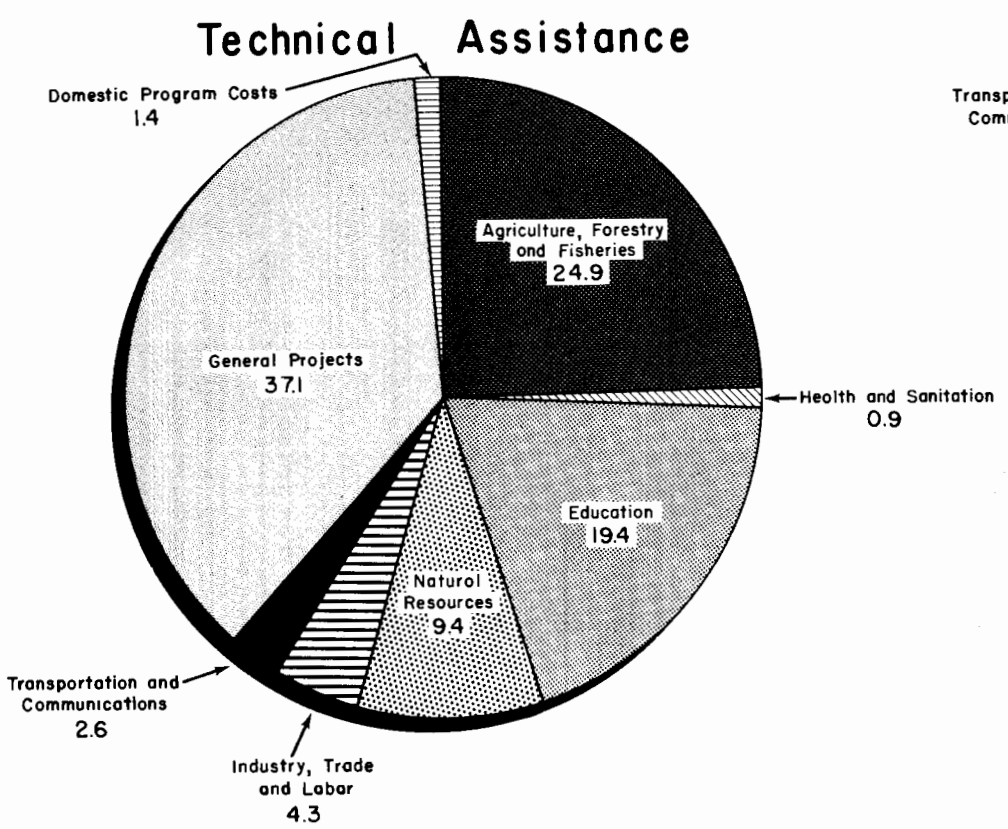
CENTRAL GOVERNMENT FINANCES
(million dollars)

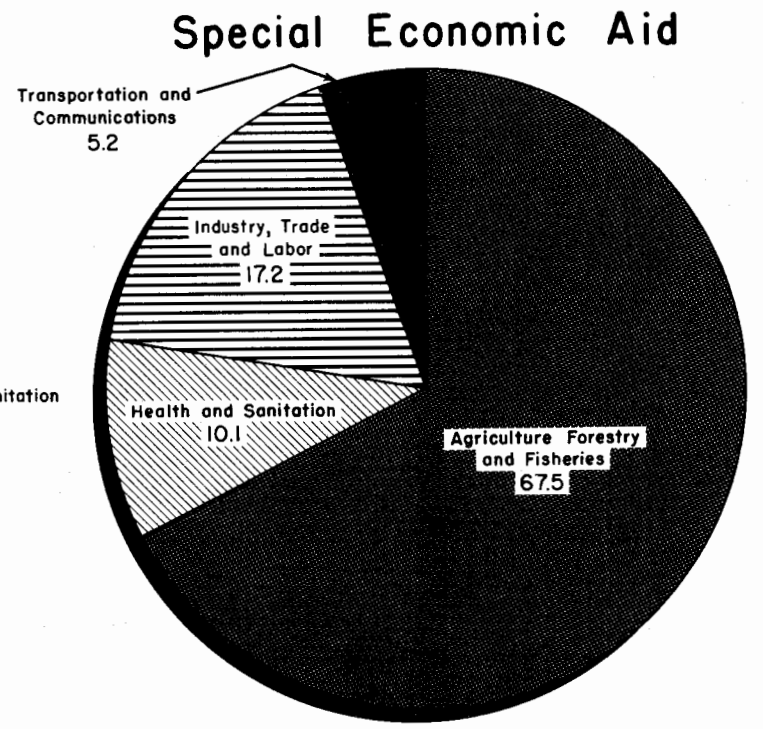
| | 1950 | 1951 | 1952 |
|---|---|---|---|
| Revenue | 324.1 | 499.6 | 566.6 |
| Expenditures | 374.2 | 407.4 | 629.6 |
| National Defense | 232.3 | 254.4 | 318.6 |
| Other | 141.9 | 153.0 | 311.0 |
| Deficit | -50.1 | -92.2 | -63.0 |

DISTRIBUTION OF COSTS FOR FY 1954
(thousand dollars)

| Total | Technicians | Trainees | TA Supplies & Equipment | Special Economic Aid |
|---|---|---|---|---|
| 13,040. | 533. | 120. | 2,587. | 9,800. |
| 1,575. | 105. | 10. | - | 1,460. |
| 2,525. | 1,755. | 170. | 600. | - |
| 1,225. | 715. | 60. | 450. | - |
| 3,049. | 549. | 10. | - | 2,490. |
| 1,090. | 210. | 30. | 100. | 750. |
| - | - | - | - | - |
| 4,820. | 520. | 100. | 4,200. | - |
| 176. | 120. | 56. | - | - |
| 27,500. | 4,507. | 556. | 7,937. | 14,500. |

## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY, FY 1954



# PHILIPPINES

1. Objectives of U. S. Economic Aid

The U. S. program supports U. S. political objectives in the Asian-Pacific area by encouraging and assisting the Philippine Government to: formulate and execute a coordinated development program; stimulate food crop production; strengthen the foundations of a democratic economy by improving the status of the farmer and the worker, and by improving and expanding public health services and education; improve public administration, fiscal operations and revenue collections; and stimulate private investment in productive industries.

2. Progress in Support of Objectives

U. S. economic assistance was initiated in the Philippines just two years ago, immediately following a period of financial and administrative crisis, when the threat posed by the communist-led Hukbalahap insurrection had reached serious proportions. These handicaps have been largely overcome, due in part to substantial assistance, both economic and military, from the U. S.

The largest effort in the economic field has been in agriculture where the U. S. program has assisted in raising rice and corn production to near self-sufficiency and has helped to ease rural unrest. The status of the farmer has been improved and agricultural development promoted through assistance to the Philippine Government in subdividing unoccupied public lands, combating malaria and improving water supply, constructing roads in newly opened areas, and by encouraging the establishment of banks and cooperatives providing rural credit at low interest rates.

Other activities enable the Philippines to meet the expanding requirements of a developing economy. Equipment and technical assistance for vocational and professional schools are increasing the number of trained technicians and government officials. Industrial development is being stimulated through exploration of mineral deposits and support to new credit sources, including private rural banks.

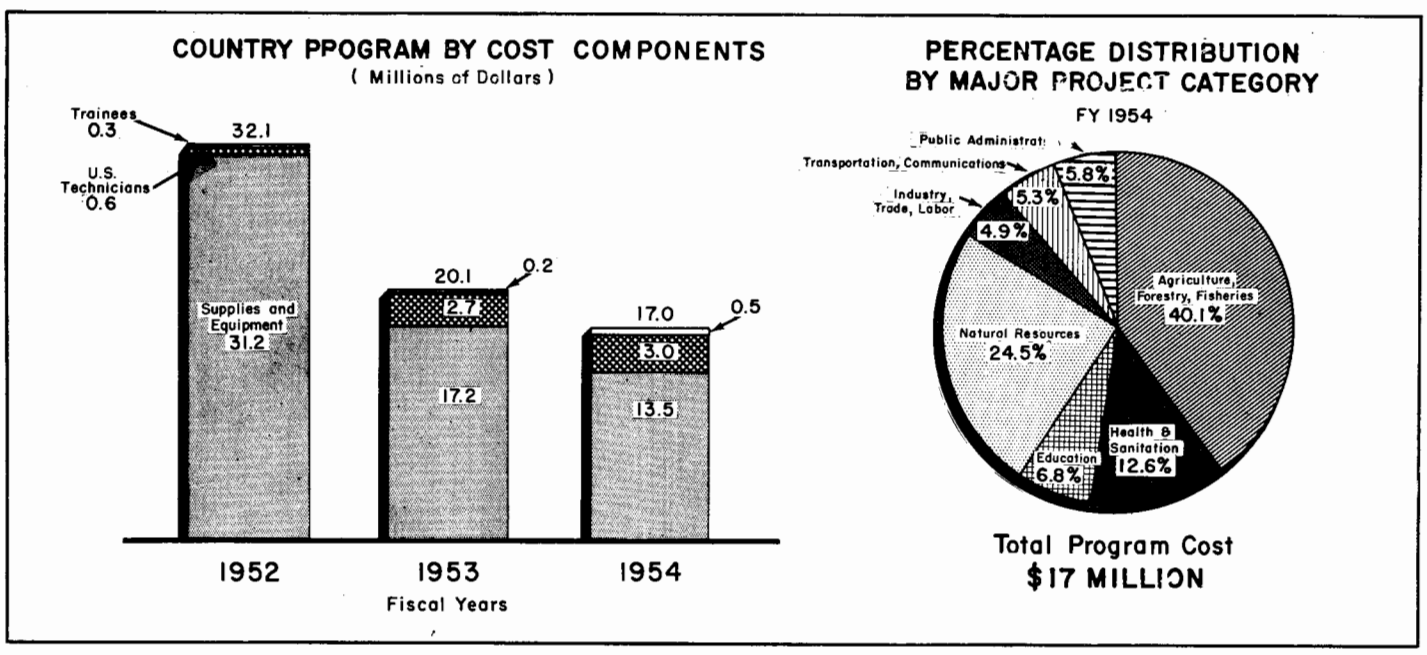
3. FY 1954 Economic Aid Program

Projects have been carefully selected to include only those affecting key points in the economy where outside assistance is necessary to stimulate progress. Agriculture, education and public health work will continue; a transportation survey will be made leading to further highway and harbor development; emphasis will be placed on technical assistance to improve government operations; and basic surveys and engineering services will be financed to encourage industrial investment and production.

4. Country Contribution to Mutual Security Program

National defense outlays of the Philippines since FY 1950 have averaged about 25 percent of the national budget. The Huk movement has been curbed. However, a permanent solution requires improvement in the economic and social conditions in over-populated rural areas. Partly as a result of U. S. technical advice, the Philippine Government doubled its revenues between 1950 and 1952 and increased appropriations for government services. They now finance entirely the internal costs of bilateral projects, and their appropriation for other development activities of the type encouraged by the U. S. but wholly financed by the Philippines has been increased by 50 percent since 1950.

Expansion of production since 1952 has raised national income and reduced domestic price levels. These gains, together with sound credit, fiscal and exchange reserve management, have strengthened economic stability and induced increased private investment.



# PHILIPPINES

## PRODUCTION *(Key Items)*

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Rice, milled *(1,000 metric tons)* | 1,498.5 | 1,980.9 | 2,133.4 |
| Sugar, centrifugal, raw *(1,000 metric tons)* | 959.8 | 973.4 | 1,129.5 |
| Iron ore *(1,000 metric tons)* | 920.4 | 888.0 | 1,167.6 |
| Cement *(1,000 metric tons)* | 166.8 | 298.8 | 310.8 |
| Electricity *(million KWH)* | 145.2 | 496.8 | 554.4 |
| Chromite *(1,000 metric tons)* | 75.3 | 334.6 | 543.5 |

## AREA AND POPULATION

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Area *(1,000 square miles)* | | | 115.6 |
| Population *(millions)* | 15.8 | 20.2 | 20.6 |

## PRICES

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Wholesale - price index *(1948 = 100)* | 20 | 85 | 75 |
| Cost-of-living index *(1948 = 100)* | | | |
| Food | 24 | 94 | 90 |
| All Items | 25 | 99 | 95 |

## INTERNATIONAL TRADE

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Total exports *(millions of U.S. dollars)* 1/ | 116.4 | 400.8 | 348.0 |
| Total imports *(millions of U.S. dollars)* 1/ | 132.6 | 479.4 | 426.6 |
| Trade balance | -16.2 | -78.6 | -78.6 |
| Commodity exports *(1,000 metric tons)* | | | |
| Copra | 342.1 | 772.2 | 662.2 |
| Sugar, centrifugal, raw | 868.3 | 623.9 | 856.3 |
| Abaca, unmanufactured | 141.3 | 135.6 | 109.1 |

1/ Peso converted at rate of 2 pesos per US dollar.

## CENTRAL GOVERNMENT FINANCES

CONSOLIDATED STATEMENT OF GENERAL, SPECIAL, AND BOND FUNDS

*(Millions of U.S. Dollars converted at 2 Pesos per U.S. Dollar)*

| ITEM | FISCAL YEAR ENDING JUNE 30 | | |
|---|---|---|---|
| | 1952 (ACTUAL) | 1953 (BUDGET) | 1954 (BUDGET |
| REVENUE-TOTAL | 365 | 353 | 346 |
| EXPENDITURE-TOTAL 1/ | 321 | 373 | 312 |
| National Defense | 91 | 86 | 83 |
| *(Percent of Total Expenditure)* | (28) | (23) | (27) |
| Other | 230 | 287 | 229 |
| DEFICIT (—) or Surplus ( + ) | +44 | -20 | +34 |

1/ Excludes payment into counterpart fund.

## PROGRAM COST BY MAJOR PROJECT CATEGORY

*(In Thousands of Dollars)*

| MAJOR PROJECT CATEGORY | ACTUAL | ESTIMATE | ESTIMATE FY 1954 | | | | |
|---|---|---|---|---|---|---|---|
| | | | TOTAL | SUPPLIES AND EQUIPMENT | SERVICES | | |
| | FY 1952 | FY 1953 | | | TOTAL | U.S. TECHNICIANS | TRAINEES |
| 1. Agriculture, Forestry, Fisheries | $12,205 | $ 7,486 | $ 6,825 | $ 6,247 | $ 578 | $ 476 | $102 |
| 2. Health and Sanitation | 5,858 | 2,465 | 2,140 | 1,875 | 265 | 180 | 85 |
| 3. Education | 946 | 2,159 | 1,150 | 810 | 340 | 270 | 70 |
| 4. Natural Resources | 1,837 | 1,258 | 4,158 | 3,695 | 463 | 383 | 80 |
| 5. Industry, Trade, Labor | 6,882 | 239 | 827 | 230 | 597 | 492 | 105 |
| 6. Transportation, Communications | 3,935 | 5,603 | 905 | 502 | 403 | 395 | 8 |
| 7. Public Administration *(Including public finance, census, weather)* | 337 | 790 | 995 | 135 | 860 | 775 | 85 |
| 8. General Projects | - | - | - | - | - | - | - |
| 9. Domestic Program Costs | 104 | 125 | - | - | - | - | - |
| TOTAL PROGRAM COST | $32,104 | $20,125 | $17,000 | $13,494 | $3,506 | $2,971 | $535 |

# THAILAND

## 1. Objectives of U.S. Economic Aid

The U. S. program in Thailand seeks by economic and technical measures to assure continued political stability, economic growth, and a broader base for military strength. The program helps the Thai Government to: expand agricultural production, particularly rice for export; improve its services in public health, education, transportation, and power development; increase the efficiency of its administrative system; and develop the economy of the politically sensitive and economically depressed northeast.

## 2. Progress in Support of Objectives

The U. S. program has assisted in bringing 150,000 acres under irrigation. Extensive fertilizer demonstration projects under the U. S. program have shown the Thai farmer how to double the output of his land. U. S. experts have helped to develop more productive rice strains, to expand the agricultural extension service, and to increase livestock production. Activities undertaken to improve public health, education, and transportation will increase farm productivity and provide access to wider farm markets.

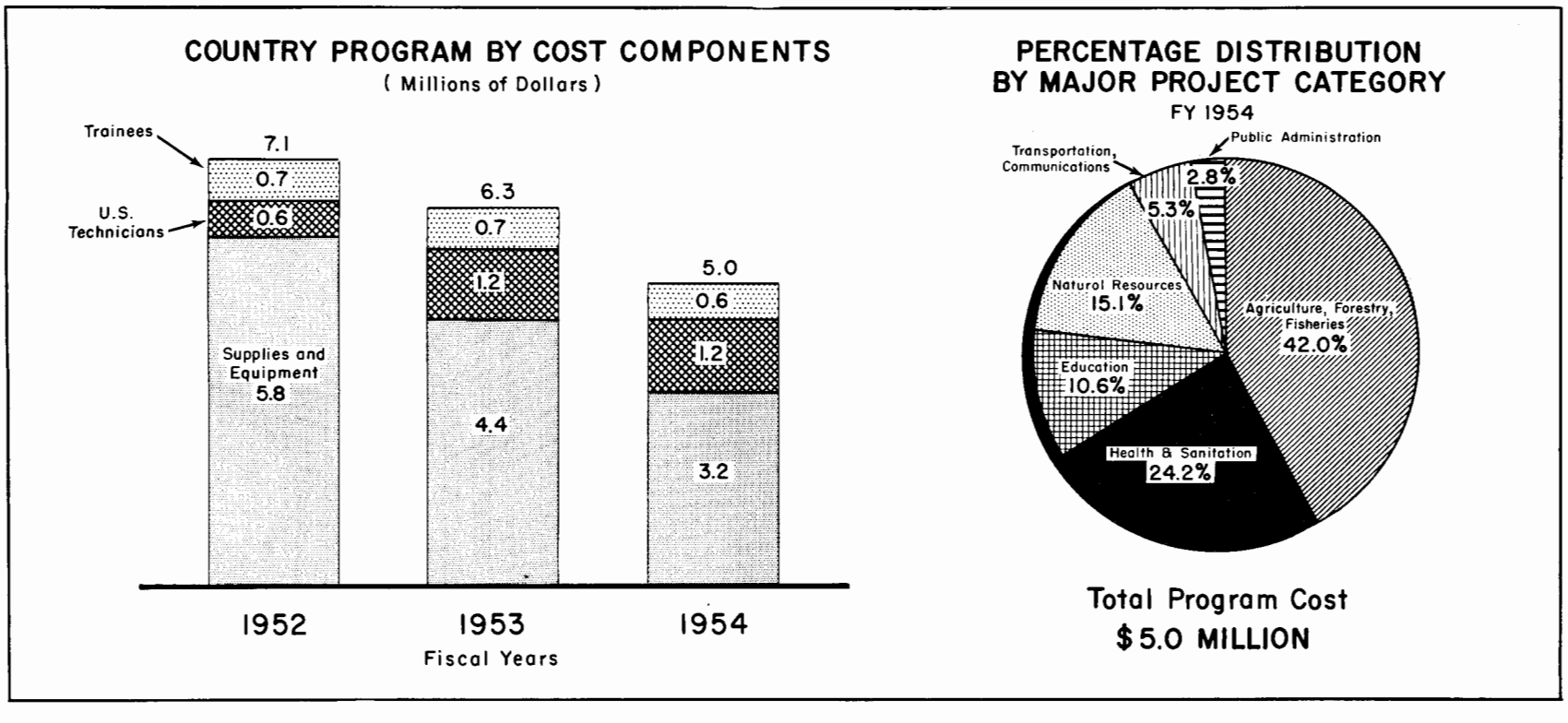
American aid has trained and equipped Thai personnel protecting three million people in malarious areas, has equipped rural health centers, and has trained doctors, nurses and medical technicians. To help meet the need for trained personnel, equipment has been provided for vocational schools, a Technical Institute has been established in Bangkok, and assistance has been given to revamping the curricula used in the teachers' colleges. U.S.-financed machinery has enabled the Thai State Railways to quadruple the output of the central repair shops and has made possible the repair or construction of more than 1,500 kilometers of Thailand's 5,000-kilometer highway system. Electric generators furnished under the program have helped to end power failures in the capital and have effectively demonstrated the use of electricity in processing agricultural and mineral products in outlying areas.

## 3. The FY 1954 Economic Aid Program

The U. S. program will continue to stress aid to agricultural production, with emphasis on irrigation facilities and the extension service. The campaign against malaria will be extended and medical training continued. New railroad maintenance and road-building equipment will be provided on a demonstration basis, while a steam power plant will be constructed to show how Thailand's largely neglected lignite deposits can be utilized. Aid to vocational education is to continue and, for the first time, American experts will advise in the field of public administration. To accelerate development and increase stability of the vulnerable northeast region next to Laos, the U. S. program will concentrate a larger portion of its support in that area.

## 4. Country Contribution to the Mutual Security Program

The Thai have enthusiastically cooperated with the Mutual Security Program in both its military and economic phases. In 1953 they devoted the equivalent of $107 million (more than 36 percent of the national budget) to their military establishment. They have sent important units to Korea. In addition, the government has met all local currency costs of U.S.-assisted projects through direct appropriations of the equivalent of $12.5 million, or double the amount of required counterpart deposits. Furthermore, the Thai Government has almost tripled the amount appropriated from its own funds for other development activities.



# THAILAND

## PRODUCTION *(Key Items)*

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Rice, milled *(1,000 metric tons)* | 3,044.5 | 5,080.3 | 4,889.8 |
| Corn *(1,000 metric tons)* | 4.3 | 7.0 | 25.4 |
| Sugar, centrifugal, raw *(1,000 metric tons)* | 19.1 | 31.8 | 31.8 |
| Cement *(1,000 metric tons)* | 92.4 | 229.2 | 247.2 |
| Electricity *(million KWH)* | 34.8 | 56.5 | 57.9 1/ |

1/ January-November.

## AREA AND POPULATION

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Area *(1,000 square miles)* | | | 200 |
| Population *(millions)* | 14.8 | 18.8 | 19.2 |

## PRICES

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Wholesale - price index *(1948 = 100)* | 6 | 107 | 109 |
| Cost-of-living index *(1948 = 100)*: | | | |
| Food | 5 | 99 | 118 |
| All items | 8 | 106 | 122 |

## INTERNATIONAL TRADE

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Total exports *(millions of U.S. dollars)* 1/ | 86 | 263 | 216 |
| Total imports *(millions of U.S. dollars)* 1/ | 56 | 218 | 334 |
| Trade balance | +30 | +45 | -118 |
| Commodity exports *(1,000 metric tons)*: | | | |
| Rice | 1,324.8 2/ | 1,628.4 | 1,428.4 |
| Rubber | 42.4 3/ | 110.6 | 99.4 |
| Tin concentrates | 13.5 | 8.8 | 13.9 |
| Wolfram ore | -- | 1.4 | 1.4 |

1/ Baht converted at following rates: 1938 - $.4237; 1951-52 - $.0588.
2/ 1936-40 average.
3/ 1939.

## CENTRAL GOVERNMENT FINANCE

*(Millions of U.S. Dollars Converted at 17 Baht per U.S. $1)*

| ITEM | FISCAL YEAR ENDING DECEMBER 31 | | |
|---|---|---|---|
| | 1951 (ACTUAL) | 1952 (BUDGET) | 1953 (BUDGET) |
| REVENUE-TOTAL | 145 | 180 | 244 |
| EXPENDITURE- TOTAL | 172 | 248 | 296 |
| National Defense 1/ | 46 | 97 | 107 |
| *(Percent of Total Expenditure)* | (27) | (39) | (36) |
| Other 2/ | 126 | 151 | 189 |
| DEFICIT (—) or Surplus ( + ) | -27 | -68 | -52 |

1/ Includes estimate of cost of living allowance for military.
2/ Excludes payments into Economic Development Fund and Counterpart Fund.

## PROGRAM COST BY MAJOR PROJECT CATEGORY

*(In Thousands of Dollars)*

| [redacted] PROJECT CATEGORY | ACTUAL | ESTIMATE | ESTIMATE FY 1954 | | | | |
|---|---|---|---|---|---|---|---|
| | | | TOTAL | SUPPLIES AND EQUIPMENT | SERVICES | | |
| | FY 1952 | FY 1953 | | | TOTAL | U.S. TECHNICIANS | TRAINEES |
| 1. Agriculture, Forestry, Fisheries | $ 2,936 | $ 2,075 | $ 2,100 | $ 1,510 | $ 590 | $ 365 | $ 225 |
| 2. Health and Sanitation | 2,494 | 2,225 | 1,210 | 745 | 465 | 365 | 100 |
| 3. Education | 469 | 865 | 530 | 145 | 385 | 300 | 85 |
| 4. Natural Resources | 846 | 310 | 755 | 565 | 190 | 120 | 70 |
| 5. Industry, Trade, Labor | -- | 5 | -- | -- | -- | -- | -- |
| 6. Transportation, Communications | 187 | 625 | 265 | 220 | 45 | 15 | 30 |
| 7. Public Administration *(Including public finance, census, weather)* | 121 | 95 | 140 | -- | 140 | 90 | 50 |
| 8. General Projects | -- | -- | -- | -- | -- | -- | -- |
| 9. Domestic Program Costs | 44 | 125 | -- | -- | -- | -- | -- |
| TOTAL PROGRAM COST | $ 7,097 | $ 6,325 | $ 5,000 | $ 3,185 | $ 1,815 | $ 1,255 | $ 560 |

# DEPENDENT OVERSEAS TERRITORIES IN ASIA AND PACIFIC

A. The Problem in the Area

The few remaining Far Eastern dependent territories of the European NATO countries are of strategic and economic importance to the U.S. and the free world. These territories have been subjected to Communist propaganda and infiltration and, in the case of Malaya, to guerrilla warfare. They supply us with such strategic materials as rubber, tin and chrome. Malaya is a vital strategic area in Southeast Asia and with the island territories could furnish essential air and naval bases in case of need. The effort to organize for defense demands stable political relationships, which in turn requires that underdeveloped areas be assisted in achieving social and economic progress.

The problem of Malaya is essentially both economic and political. The British are developing in Malaya the institutions which will make it possible for Malaya to acquire self-government despite the lack of a homogeneous population. The resources of Malaya, plus minor assistance from the U.K., have been adequate to date for its development with the exception of dollar needs for equipment and the specialized skills which the U.S. can provide.

The peoples of the island territories live mainly on a subsistence basis with only selective participation in commerce and wage-earning activities. These communities suffer from a lack of roads and marketing systems. They have an inadequate supply of labor and are faced with problems of control and elimination of pests and plant diseases, the need for diversification and improvement in agricultural production, and the need for improvement in health and living standards.

B. The Program

This program requires new obligational authority of $1 million for development work and technical assistance. Financial assistance for development will generally be made available for essential projects which contribute to the welfare of the native peoples and the economic growth of the territories. The program will stress transportation improvement and agricultural development, the latter as a means of increasing the supply of food for the local peoples and thus raising them above the subsistence level and improving the labor supply. Technical assistance will make available to the territories those specialized U.S. skills and scientific knowledge which are essential to the solution of the problems basic to the welfare of the native peoples in health, housing, sanitation and agriculture.

C. Selected Illustrative Projects - FY '54

1. Technical Assistance projects for Malaya and other territories in the Pacific Area -- $200,000

2. Selected Illustrative Overseas Territories Development Projects for FY '54:

UNITED KINGDOM:

Klang Gates Dam, Malaya: Estimated requirement for U.S. assistance is $400,000

Road Development, Malaya: Estimated requirement for U.S. assistance is 400,000

TOTAL..... $800,000

New Obligational Authority Requested $1,000,000

# ASIA AND THE PACIFIC
## United Nations Korean Reconstruction Agency

Funds Requested

The United States representatives in the General Assembly of the United Nations pledged, subject to approval of the Congress, $162.5 million as the United States share of the initial $250 million budget of the United Nations Korean Reconstruction Agency (UNKRA). Pursuant to appropriations in fiscal year 1952 and fiscal year 1953, the United States has contributed to UNKRA the unobligated balance of the appropriation previously made and available to Korea under the Far Eastern Economic Assistance Act of 1950 in the total amount of $50.75 million. There remains unpaid on the $162.5 million pledge the amount of $111.75 million.

The present appropriation request is for $71 million. In addition to this appropriation request, legislation has been requested which would authorize the United States Department of the Army to make available toward the United States contribution to UNKRA, at the time when UNKRA assumes that responsibility for emergency civilian relief now being exercised by the Unified Command, civilian relief supplies in the Army pipeline to Korea of a value not to exceed $40.75 million. The requested appropriation together with the requested authorization for transfer of Army pipeline civilian supplies would total $111.75 million and would thus complete the payment of the pledged amount of $162.5 million.

The estimated UNKRA program and plan of expenditure of $130 million for fiscal year 1954 is based upon a program presented by the Agent General of UNKRA to his Advisory Committee which is composed of representatives of the United States, the United Kingdom, Canada, India and Uruguay. It is anticipated that this Advisory Committee will have formally acted on this program before action by the Congress with respect to appropriation for a contribution to UNKRA. The UNKRA program does not include the expenditures which would be necessary if UNKRA assumes during fiscal year 1954 the responsibility for emergency civilian relief now being exercised by the Unified Command. If, because of a cessation of hostilities and a consequent change in the military circumstances, UNKRA is called upon to assume such responsibility for emergency civilian relief during fiscal year 1954, a larger UNKRA program would be required. However, it is assumed that such a program, together with that part of the initial $250 million budget expended prior to fiscal year 1954, would not exceed the presently authorized total initial budget of UNKRA in the amount of $250 million; and the requested legislation would result in the payment of the full United States pledge toward such total $250 million budget. If, on the other hand, military circumstances render unavailable as a contribution to UNKRA during fiscal year 1954 the $40.75 million value of civilian relief supplies from the Army pipeline, UNKRA will not have sufficient funds to complete its $130 million program unless there be a supplemental appropriation for United States contribution to UNKRA of a part of the $40.75 million in cash in lieu of the unavailable pipeline supplies.

The Need for Aid

The military aggression against the Republic of Korea has caused vast damage to its economy and great suffering and privation for its people, resulting in the necessity that economic assistance be furnished to enable the Korean people to sustain their military resistance to aggression, and, in time, to recover from the ravages of war.

Relation to United States Objectives

The objectives of the United States with respect to the Republic of Korea are: (a) to repel the aggression against the Republic of Korea and to restore international peace and security in the area; (b) to seek, through United Nations action, the establishment by peaceful means of a unified, democratic and independent Korea; and (c) to support United Nations assistance to the Korean people enabling them to recover from the ravages of war and to lay the political and economic foundations for a stable democratic nation. The strategic importance of a free Korea to the mutual security of the free nations of the world is obvious. The United States objectives can be greatly furthered by helping to provide, through its contribution to UNKRA, the funds needed to furnish part of the assistance required to keep the Korean people alive and help to sustain their economy on the minimum basis under which the nation can survive as a free country.

The responsibility for furnishing relief and rehabilitation in Korea should be shared through the multilateral United Nations program of UNKRA. Appropriation of the requested $71 million for UNKRA will constitute a vital contribution by the United States toward demonstrating to the Korean people and the world the ability of the United Nations to aid a country which has been stricken by military aggression in its efforts to resist that aggression.

# LATIN AMERICA – Regional Summary

The Region and the Problem. In Latin America, United States technical cooperation is just completing its 13th year.* Here, many of the cooperative techniques have been worked out which are being used throughout the underdeveloped areas of the world. Here, also, technical assistance has had time to prove its value to the peoples of less developed countries. Hundreds of individual projects initiated through United States assistance have been more and more taken over by local ministries until eventually they have been entirely carried over into the permanent programs of these countries.

Latin America is part of the inner citadel of the free world defense; and includes twice the area of the United States and close to 176 million people. Obstacles to raising the over-all productivity of the national economies which must support these people are many. The physical environment includes formidable mountain barriers and unruly and disease-ridden river basins with excessively rugged topography or exceedingly dry climates in those areas most suited to human productive effort. Adequate transportation and power are lacking. Capital formation is slow; and imbalanced national economies tend to result from concentration on single industries (Bolivia - tin; Chile - copper; Brazil and Colombia - coffee; Cuba - sugar; Honduras - bananas; and Venezuela - petroleum). The labor force does not include enough skilled workers and technicians. All these factors combine with undernourishment, disease and ignorance to keep the productivity per worker about 1/5 that in the United States.

On the other hand, there are sufficient natural resources and manpower to make possible a high degree of economic expansion. The governments in the region are actively seeking to bring about such expansion and a more balanced over-all economic development, in order to raise productivity and to achieve higher levels of living and thereby economic and political stability. To help themselves, however, they need external aid. They seek such help from the United Nations and its specialized agencies, from the Organization of American States and from the United States Government.

The case for technical assistance from the United States Government. The technical assistance program is a cooperative undertaking in which the United States and countries requesting such technical assistance become partners in striving for economic progress of mutual benefit. Expanded economic activity brings improved well-being to local population. This increasingly improves national and regional political stability and an international position of strength in the Western Hemisphere. Raising productivity in Latin America not only means making the region less dependent upon the United States in collective defense against Communist propaganda or military aggression but also to make it a more effective ally from the viewpoint of supplying strategic and critical raw materials to the industries of the free world, particularly the United States.

In addition, however, the region is even now an important partner of the United States in economic progress. In 1951, when we witnessed but the beginning of a more dynamic approach to technical cooperation in the region, the Latin American republics were second only to Western Europe as a market for United States exports and continued to supply a larger part of United States imports than any other trade area. In the same year, net United States investments in Latin America approached the $7 billion mark, of which private direct investments and reinvestments accounted for $5.2 billion or about 40% of the world total. Enlightened self-interest dictates helping such a partner in making further progress when he asks for aid, is willing to assume his fair share, and when no one else is in a position to aid.

The Program. The Act for International Development established the following objectives: "Raising standards of living, creating new sources of wealth, increasing productivity and expanding purchasing power." As far as the technical assistance program in the Western Hemisphere is concerned, attainment of these objectives rests upon pursuance of the following specific objectives:

Increasing productivity per worker by doing away with undernourishment, disease and ignorance through programs in food supply, health, sanitation, housing and education, which also serve to increase the number of skilled workers.

Increasing over-all production by appropriate programs in agriculture and industry, as well as in the development of natural resources, power and transportation. This also involves changing the subsistence economy of many millions of people (including 30 million Indians) to fuller participation in and greater contribution to the national economies.

Correcting imbalances in the national economies which result from concentration on single industries or products by assisting in diversification of national economies.

* The technical cooperation program of the Institute of Inter-American Affairs, which became the operating arm of the Technical Cooperation Administration in November 1951, has just completed its 11th year.

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# LATIN AMERICA - Regional Summary

Encouraging development of sound economic policies on the part of the government and supplying technical assistance and advice required to attain this objective.

Creating incentives to private investment, both local and foreign, by proving through demonstration projects that private enterprise is needed in a particular field, and by providing assistance in finding and presenting opportunities for private investment.

When U. S. technical cooperation first got under way in Latin America (thirteen years ago), it was directed to the basic fields of agriculture, education and public health. While much was accomplished in these fields, the limitations of this cooperation were such that it could not create a corps of national technicians large enough to cope with the expanding problems confronting them now. The concept of balanced economic development, the implementation of which is being more and more recognized as essential, has pointed up the necessity for, and prompted requests for assistance in, a wider range of developmental activities, including industry, labor, transportation, power development, general economic planning, public administration, financial organization and statistics.

Programs are now being carried on in nineteen of the Latin American republics and are beginning to be developed in the Dependent Overseas Territories of European countries where the need for technical assistance is at least equally great. Implementation follows the methods which have proven themselves in the past, especially the technique of operation through Servicios, i.e., agencies set up by the other governments as a Bureau within the appropriate Ministry to carry out given programs of technical assistance in which the United States Government participates by supplying technicians and part of the program funds. The operations of Servicios are cooperatively planned, directed and administered by U.S. and Latin American technicians. There is increasingly being followed the "integrated area development" approach through which the chief technical assistance field parties jointly plan and assist in carrying out self-help development programs for selected localities in a country, while continuing to operate their own functional programs on a country-wide basis. Programs for training nationals in their own country or abroad are systematically integrated into the individual technical programs of each country.

**LATIN AMERICAN REPUBLICS AND DEPENDENT OVERSEAS TERRITORIES (EXCLUDING ARGENTINA)**

**GENERAL**

| | 1951 |
|---|---|
| AREA (1000 sq. miles) | 6,131 |
| POPULATION (Thousands) | 145,000 |

**INTERNATIONAL TRADE**
(Million Dollars)

| | 1951 |
|---|---|
| Total exports | 6,368.0 |
| Total imports | 7,400.0 |
| United States trade | |
| Exports to U.S. | 3,569.0 |
| Imports from U.S. | 4,813.0 |

**UNITED STATES INVESTMENTS IN LATIN AMERICA***
(Millions of dollars)

| | 1950 |
|---|---|
| Direct private | 4,675.0 |
| Direct U.S. Gov't | 1,000.0 |
| Other | 1,320.3 |
| Total | 6,995.3 |

*Includes Argentina

**PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53**
(Thousand dollars)

| Major Field of Activity | 1952 | 1953 |
|---|---|---|
| Agric., For., Fisheries | 7125.1 | 7556.7 |
| Health and Sanitation | 4963.4 | 5554.0 |
| Education | 2706.4 | 2900.5 |
| Natural Resources | 580.5 | 792.2 |
| Ind. and Labor | 250.8 | 1723.5 |
| Transportation | 381.1 | 809.4 |
| Pub. Admin. | 718.1 | 1013.8 |
| General Project | 515.0 | 506.1 |
| Domestic Program Costs | 547.9 | 739.3 |
| Total | 17788.3 | 21595.5 |

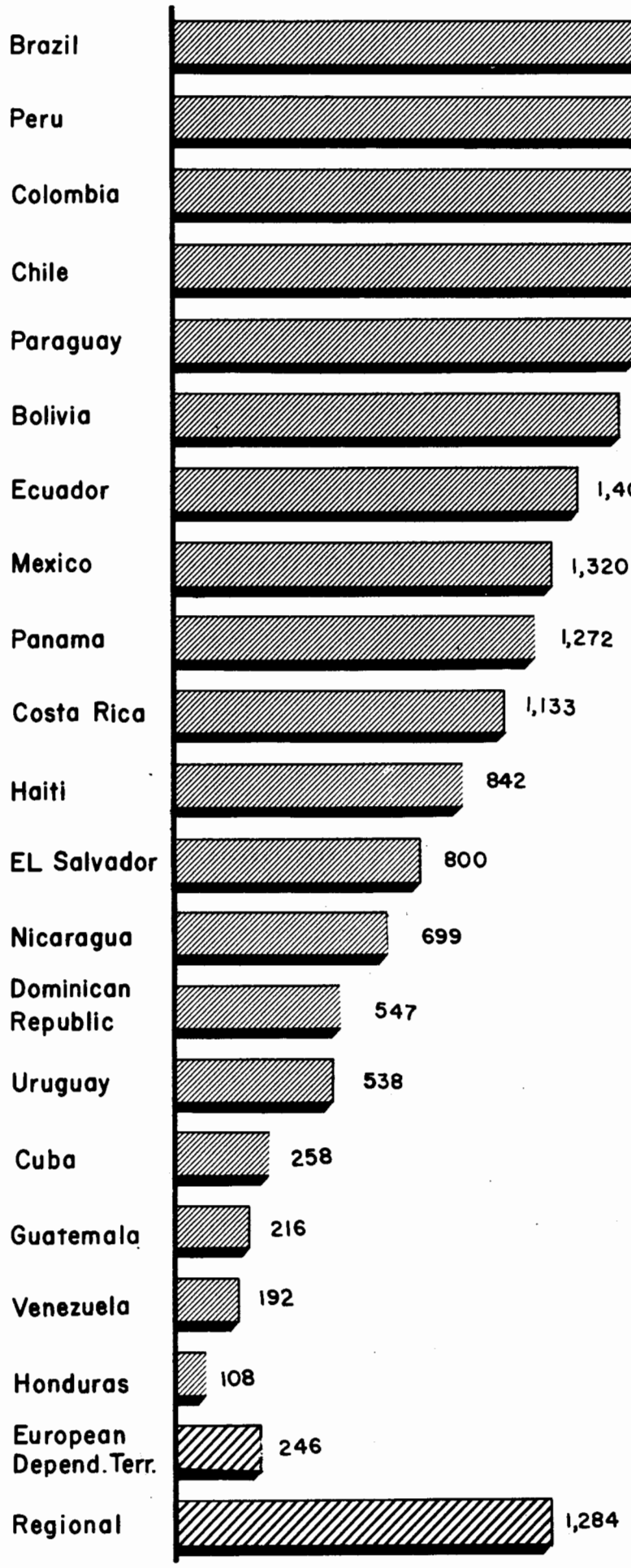
**DISTRIBUTION OF COSTS FOR FY 1954**
(Thousand dollars)

| | Total | Technicians (a) | Trainees | Supplies & Equipment | Local Costs (b) |
|---|---|---|---|---|---|
| Agric., For., Fisheries | 8360.4 | 3339.4 | 571.4 | 2865.0 | 1584.6 |
| Health and Sanitation | 6288.9 | 2431.2 | 599.4 | 2485.0 | 773.3 |
| Education | 3265.2 | 1212.3 | 350.8 | 1325.0 | 377.1 |
| Natural Resources | 1044.8 | 510.9 | 72.8 | — | 461.1 |
| Ind. and Labor | 2004.4 | 553.5 | 271.8 | 710.0 | 469.1 |
| Transportation | 1051.0 | 479.2 | 385.9 | — | 185.9 |
| Pub. Admin. | 1145.0 | 616.3 | 323.9 | — | 204.8 |
| General Project | 212.3 | 158.0 | — | — | 54.3 |
| Domestic Program Costs | 970.0 | 423.7 | 546.3 | — | — |
| Total | 24342.0 | 9724.5 | 3122.3 | 7385.0 | 4110.2 |

(a) Comprises salaries, allowances, international travel and transportation of effects.
(b) Comprises grants to servicios and joint funds, local employees' salaries, local travel and other Field Party expenses.

# TECHNICAL COOPERATION FOR LATIN AMERICA * FY 1954

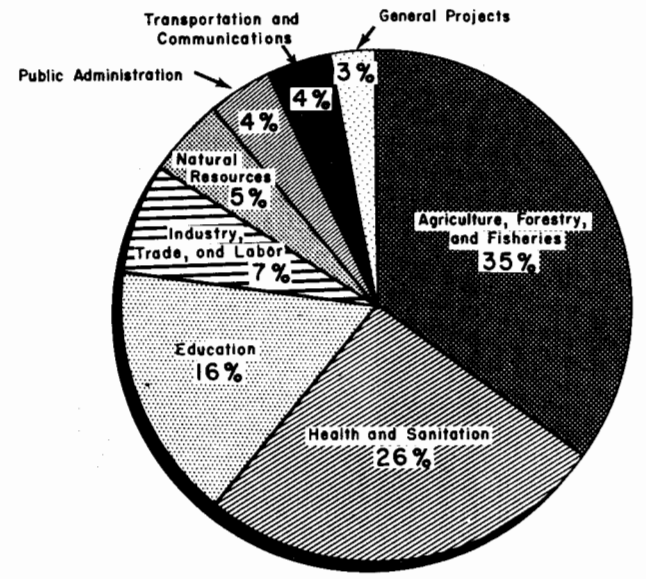
( Thousands of Dollars )




## SUMMARY BY MAJOR PROJECT CATEGORY

### FY 1953

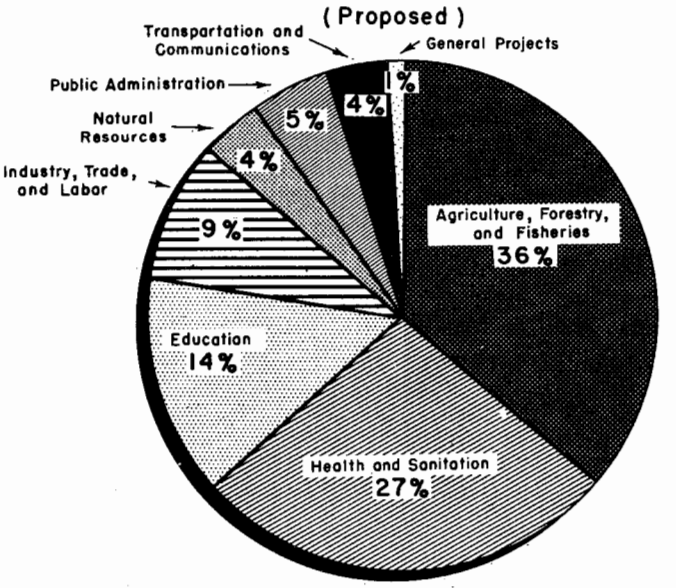
( Estimated )




Total $ 21,596 thousand †

### FY 1954

( Proposed )




Total $ 24,342 thousand †

* U.S. dollar funds only; excluding host country contributions.

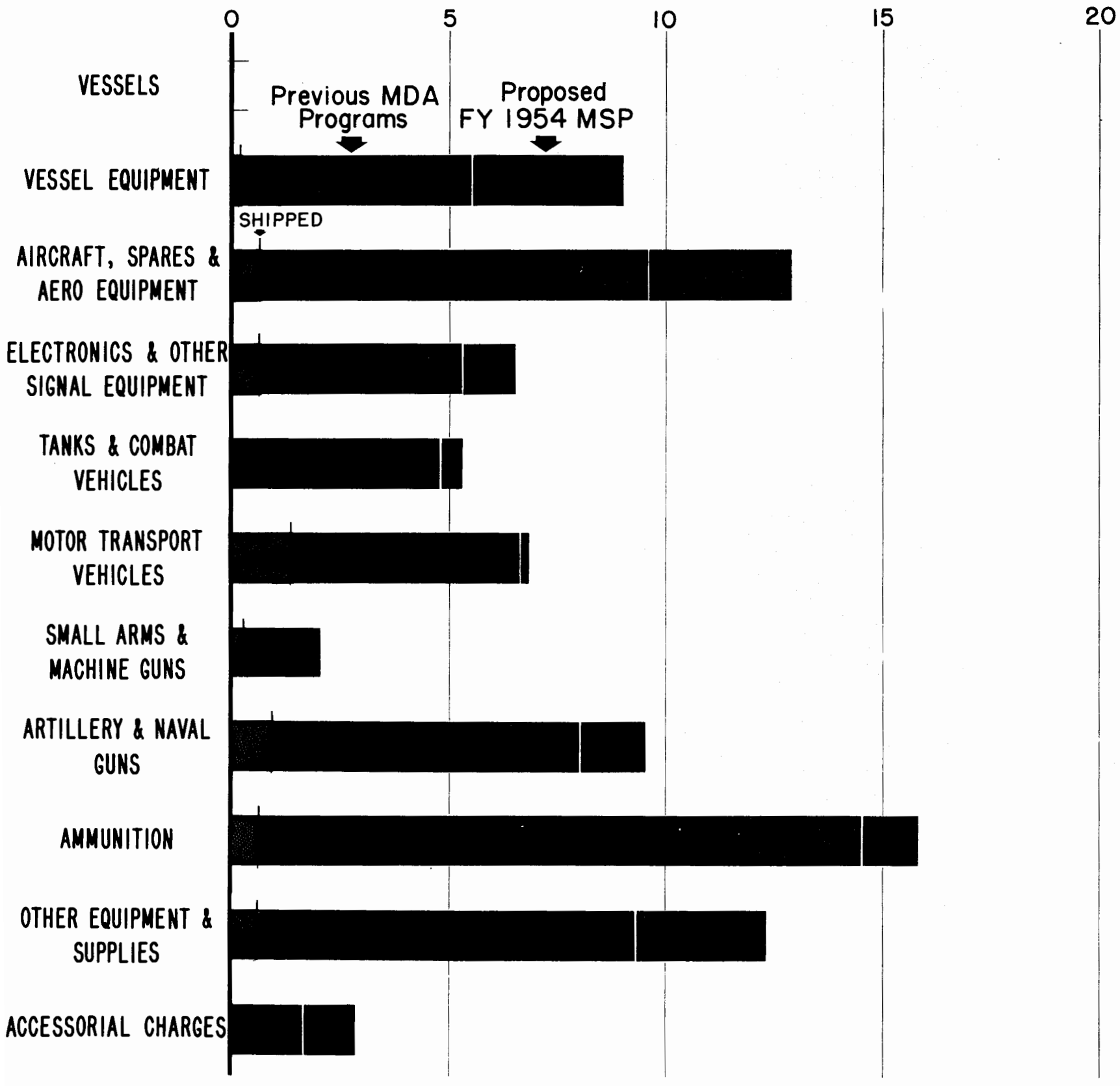
† Including domestic program cost not distributed by major project activity.

DEPARTMENT OF DEFENSE

MUTUAL DEFENSE ASSISTANCE PROGRAM

# COMPARISON OF FUND UTILIZATION
# PREVIOUS MDAP VS PROPOSED FY 1954 LEGISLATION
# LATIN AMERICA

(In Millions of Dollars)



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DEPARTMENT OF DEFENSE
STATISTICAL SUMMARY
PROPOSED FY '54 MUTUAL DEFENSE ASSISTANCE PROGRAM

| | TOTAL | (a) PHC&T | (b) TOTAL TRAINING | (c) TOTAL MATERIEL | MATERIEL MILITARY DEPARTMENTS ARMY | NAVY | AIR FORCE |
|---|---|---|---|---|---|---|---|
| TITLE IV | $20,000,000 | $1,206,972 | $3,391,720 | $15,401,308 | $2,000,000 | $6,000,000 | $7,401,308 |
| Brazil | 6,601,383 | | 464,170 | 6,137,213 | 2,000,000 | 1,705,000 | 2,432,213 |
| Chile | 1,905,164 | | 387,080 | 1,518,084 | - | 110,000 | 1,408,084 |
| Colombia | 3,181,443 | | 1,182,420 | 1,999,023 | - | 1,494,000 | 505,023 |
| Cuba | 1,432,174 | | 389,000 | 1,043,174 | - | 425,000 | 618,174 |
| Dominican Republic | 408,000 | | 170,000 | 238,000 | - | 238,000 | - |
| Ecuador | 740,065 | | 193,800 | 546,265 | - | 135,000 | 411,265 |
| Peru | 2,007,491 | | 413,910 | 1,593,581 | - | 188,000 | 1,405,581 |
| Uruguay | 2,517,308 | | 191,340 | 2,325,968 | - | 1,705,000 | 620,968 |
| PCH&T | 1,206,972 | 1,206,972 | | | | | |

(a) Entire PCH&T funds withheld by OSD Comptroller and released to military departments as needed in accordance with quarterly estimates of shipments.
(b) Training totals include funds by title for technical representatives, interpreters, etc., not included in country training programs.
(c) Materiel totals include charges for repair and rehabilitation.

NOTE: The above table excludes budgeted local currencies identifiable as Department of Defense as follows: Training, Title IV $414,410.

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# BOLIVIA

## GENERAL SITUATION

The general standard of living in Bolivia is low. In spite of the fact that agriculture is the chief means of livelihood the country still has to import large quantities of food. Malnutrition, disease and poor housing are prevalent; infant mortality is high. The economy of the country is dependent on the export of minerals for foreign exchange and government revenue. The cost of mineral production is high, however, and mining sources now in use are being depleted. These two factors place Bolivia in an unfavorable competitive position and somewhat at the mercy of forces beyond its control. It would appear that the principle hope of the country for improving its standard of living lies in its ability to increase agricultural production.

## PROGRAM OBJECTIVES

1. Improve agricultural techniques, principally through extension, thus increasing yields of land under cultivation and also increase the amount of land under cultivation, particularly in the eastern lowlands.
2. Raise the general level of health and thus increase the efficiency and productivity among all workers.
3. Provide industrial and vocational training to develop skills now lacking in agriculture, industry, and transportation, and to improve rural elementary schools with a view to reducing the high rate of illiteracy.
4. Provide technical assistance in public administration.
5. Raise the level of technical competence and reduce high personnel turnover in public employment.
6. Develop more marketable handicrafts by demonstrating methods of improving designs, processing, and use of materials and tools.
7. Assist in developing adequate transportation facilities.
8. Pursue metallurgical research on the concentration and refining of low-grade Bolivian tin ores and explore phosphate deposits for possible tie-in with agricultural development.

## PROGRESS TO DATE

A significant beginning has already been made to lessen Bolivia's dependence on imported basic food stuffs and to render the country less dependent on tin. The major accomplishments of the U.S. technical assistance program to date, however, have been in the work in sanitation and health where a handful of U.S. technicians have both trained a substantial corps of Bolivians and have rendered actual medical services to approximately 580,000 Bolivians a year. The work in education, health and sanitation, and agriculture which has already achieved valuable results, will become increasingly meaningful as the basic problems of augmenting productivity are successfully overcome.

## MAJOR ACTIVITIES IN FISCAL YEAR 1954

Agriculture, Forestry and Fisheries - (1) Extension: Improvement and expansion of the National Extension Service; (2) Research: Continued assistance in the improvement of plants and animals, methods of cultivation, use of fertilizers and disease and insect control.
Health and Sanitation - Countrywide immunization campaigns, environmental sanitation and operation of health centers in seven of the nine Departments of Bolivia; demonstration of low-cost housing construction and use of local materials.
Education - (1) Elementary - Teacher training to provide more functional education for the basic needs of the Indians of Warisata area, health education, agriculture, home improvement, handicrafts and the 3 R's; supervision and in-service education of teachers in five pilot rural nucleo systems in various regions of the Republic; (2) Vocational - Improvement of the only vocational industrial school in Bolivia, and industrial education in other cities; vocational agriculture for extensive farming in the lowlands of the Santa Cruz area; establish school, train faculty, develop curriculum and program in this area.
Natural Resources - (1) Exploration of phosphate deposits to support agricultural development; and (2) studies of feasibility of developing phosphate fertilizer industry.
Industry, Trade and Labor - Development of improved and more marketable handicrafts products, use of materials and tools, and marketing.
Transportation and Communications - (1) Civil Aviation - Improvement of existing airports, assistance in construction of new ones and installation of aeronautical communications system, continued advice on problems of certification of aircrafts and airmen, maintenance of safety standards, and in-service training; (2) Highways - Assistance in establishing a training school for operators and mechanics of road building and maintenance machinery, and general road development projects.
Public Administration - Assistance in the development of better administrative methods and practices in federal, state and municipal governments.
Training - Grants are provided in the following fields: Agriculture, Health and Sanitation, Education, Industry and Labor, and Transportation.

# BOLIVIA

| GENERAL | |
|---|---|
| | 1951 |
| AREA (1000 sq. mi.) | 416 |
| POPULATION (thousands) | 4,000 |

| PRICE INDEXES | | | |
|---|---|---|---|
| | 1938 | 1950 | 1951 |
| Cost of living (LaPaz 1948 = 100) | 19. | 149 | 189 |

| INCOME AND PRODUCTION | | |
|---|---|---|
| | 1950 | 1951 |
| Per capita income (dollars) | 60 | 55 |

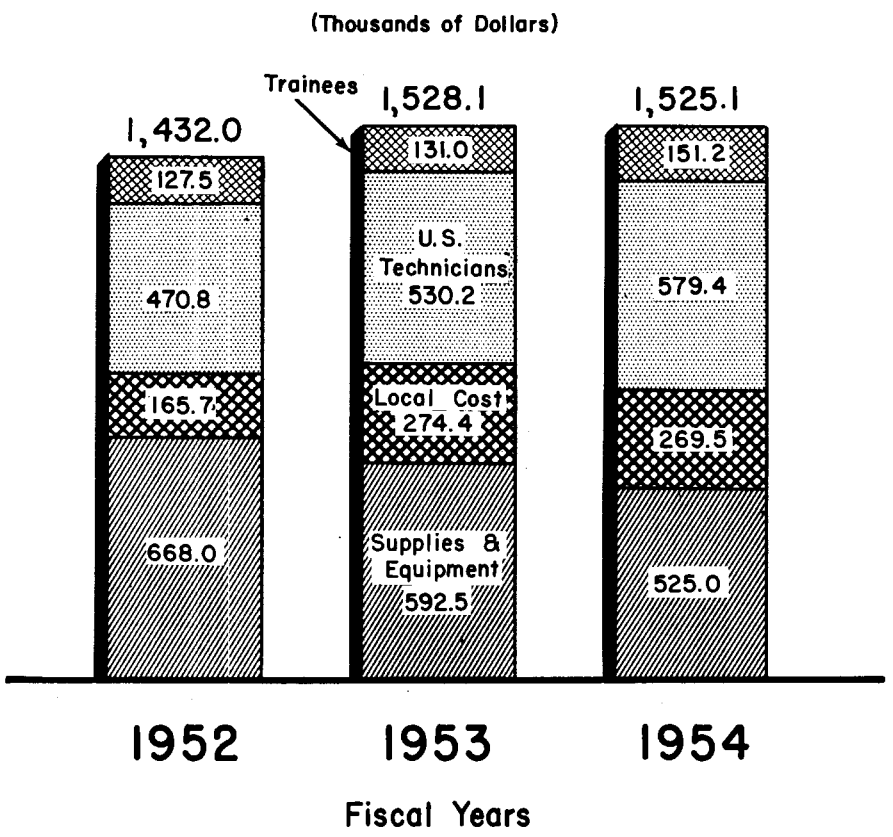
| INTERNATIONAL TRADE (Million Dollars) | | | |
|---|---|---|---|
| | 1938 | 1951 | 1952 |
| Total exports | 34.0 | 151.0 | n.a. |
| Total imports | 29.0 | 91.0 | n.a. |
| United States trade | | | |
| Exports to U.S. | 1.1 | 99.0 | n.a. |
| Imports from U.S. | 6.6 | 39.0 | n.a. |
| Principal commodity exports | | | |
| Tin (1000 metric tons) | 25.9 | 33.7 | n.a. |
| Zinc(1000 " " ) | 10.7 | 30.5 | n.a. |
| Lead(1000 " " ) | 13.2 | 30.6 | n.a. |

| UNITED STATES INVESTMENTS IN LATIN AMERICA (In millions of dollars) | |
|---|---|
| | 1950 |
| Direct private | 11.4 |
| Direct U.S. Gov't | 2.0 |
| Other | 44.3 |
| Total | 57.7 |

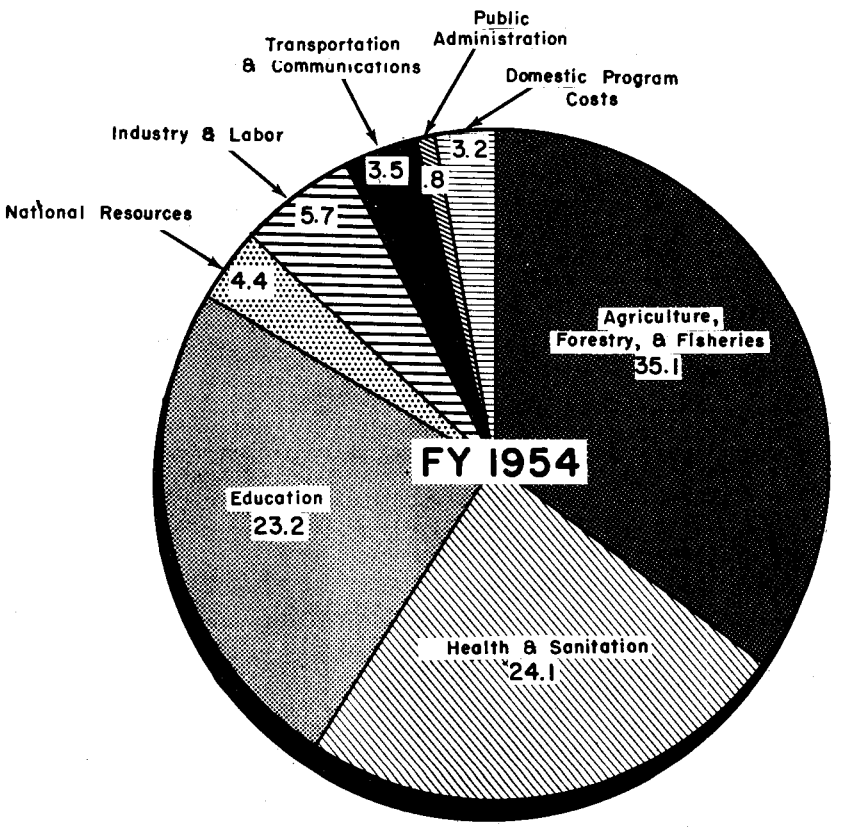
| PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53 (Thousand dollars) | | |
|---|---|---|
| Major Field of Activity | 1952 | 1953 |
| Agric., For., Fisheries | 524.9 | 577.8 |
| Health and San. | 427.0 | 400.6 |
| Education | 317.8 | 353.1 |
| Natural Resources | 55.4 | 60.0 |
| Ind. and Labor | - | 39.1 |
| Transportation | 67.1 | 55.7 |
| Pub. Admin. | - | - |
| General Project | - | - |
| Domestic Program Costs | 39.8 | 41.8 |
| Total | 1432.0 | 1528.1 |

| DISTRIBUTION OF COSTS FOR FY 1954 (Thousand dollars) | | | | |
|---|---|---|---|---|
| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
| 535.0 | 243.6 | 33.0 | 155.0 | 103.4 |
| 367.3 | 120.0 | 34.0 | 185.0 | 28.3 |
| 354.0 | 130.2 | 42.6 | 125.0 | 56.2 |
| 67.0 | 12.0 | - | - | 55.0 |
| 87.4 | 12.0 | 4.3 | 60.0 | 11.1 |
| 53.3 | 26.3 | 17.0 | - | 10.0 |
| 12.5 | 7.0 | - | - | 5.5 |
| - | - | - | - | - |
| 48.6 | 28.3 | 20.3 | - | - |
| 1525.1 | 579.4 | 151.2 | 525.0 | 269.5 |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# BRAZIL

## GENERAL SITUATION

Only about four percent of the vast land resources of Brazil is under cultivation and agricultural productivity is generally low. Among the maior causes for this are deficient diet, lack of training and poor health. One of the fundamental problems is to help farmers to become more efficient and adopt modern techniques. Fewer than half the children in rural areas are enrolled in school, and vocational training lags far behind the need for skilled workers. Transportation and marketing services are inadequate to maintain the flow of foodstuffs and manufactured products between rural and urban areas and of raw materials from the point of origin to the industrial user. Power shortages are a great handicap to development in many fields. There is a serious deficiency of management skills, both public and private. Organizations and processes at federal, state and local levels need to be geared to provide public servants to meet Brazil's growing needs. The American Ambassador has reported that the Brazilian/U.S. Technical Cooperation program is regarded as virtually indispensable to Brazil's plans for improving production and living standards.

## PROGRAM OBJECTIVES

(1) Increase crop and livestock production and improve farm to market transportation, food storage and marketing; (2) improve health, nutrition and education of masses so that they may become more productive and enjoy living standards; (3) develop mineral resources; (4) improve transportation and distributions facilities; (5) develop energy resources, including hydroelectric power, necessary for agriculture, industry, transportation and domestic uses; (6) develop industries suitable to Brazil's raw materials, skills of the people and available markets; (7) develop the skills and techniques required to support a great country's economy including those needed for managing all forms of public and private endeavor.

## PROGRESS TO DATE

Progress is apparent from the fruits of ten years of work of the Brazil-United States public health Servicio, and from the assistance of the Joint Economic Development Commission in solving difficult re-equipment and development problems. The development program is based upon maximum use of Brazilian resources and private enterprise, both foreign and domestic. Since July 1951, fifty-nine Brazilians have received training in the United States and returned to Brazil.

## MAJOR ACTIVITIES IN FISCAL YEAR 1954

Agriculture, Forestry and Fisheries - (1) Research on a wide range of specific problems at various experiment stations, (2) Extension, (3) Livestock improvement, (4) Rubber development in cooperation with the Ministry of Agriculture and producers in Northeast Brazil, (5) Food storage studies.
Health and Sanitation - (1) Medical - Operation of health centers, sub-posts, hospitals, laboratories and mobile dispensaries on launches; investigation and research in control of dysentery, schistosomiasis, filariasis , yaws and tuberculosis; visiting nurse service; health education summer courses for primary school teachers; improvement of government's industrial hygiene program. (2) Environmental Sanitation - Surveys, design and construction of water supply and sewerage systems. (3) Housing - Assistance to a government-aided self-help housing development. (4) Vital Statistics improvement. (5) Social Welfare improvement.
Education - (1) Vocational Industrial and Apprenticeship training - Development of curriculum and teaching materials; replanning of equipment of vocational schools in Sao Paulo and industrial surveys; reorganization of apprentice training in cotton textile industry. (2) Rural Elementary - establishment of a pilot normal school and teacher-training workshops.
Natural Resources - Geologic surveys, investigation and development of mineral resources. (2) Surveys for irrigation and power development.
Industry, Trade and Labor - Improvement of manufacturing productivity in medium and small industries.
Transportation and Communications - Highway and inland waterway transportation, terminal storage, ports and harbors, and other shipping development.
Public Administration - Improvement of administrative practices and procedures.
General Projects - It is anticipated that the Joint Commission will be terminated during 1953 with the completion of its project development and loan application program.
Training - Awards are provided for in the following fields: Agriculture, Forestry and Fisheries, Health and Sanitation, Education, Natural Resources, Industry and Labor, Transportation, and Public Administration.

# BRAZIL

| GENERAL | 1951 |
|---|---|
| AREA (1000 sq. mi.) | 3,288 |
| POPULATION(Thousands) | 53,377 |

| PRICE INDEXES | 1938 | 1950 | 1951 |
|---|---|---|---|
| Wholesale (Porto Alegre and Sao Paulo 1948=100) | 27 | 127 | 154 |
| Cost of living (Sao Paulo 1948 = 100) | 23 | 104 | 113 |

| INCOME AND PRODUCTION | 1950 | 1951 |
|---|---|---|
| Per capita income (dollars) | 110(1949) | 127 |
| Agricultural Production Index (1938-39 = 100) | 111 | n.a. |

| INTERNATIONAL TRADE (Million Dollars) | 1938 | 1951 | 1952 |
|---|---|---|---|
| Total exports | 289.0 | 1,757.0 | 1,392.0 |
| Total imports | 295.0 | 2,011.0 | 1,986.0 |
| United States trade | | | |
| Exports to U.S. | 98.2 | 910.6 | n.a. |
| Imports from U.S. | 70.8 | 700.0 | n.a. |
| Principal commodity exports | | | |
| Coffee(1000 metric tons) | 1,026.0 | 981.0 | n.a. |
| Raw cotton(1000 met.tons) | 268.0 | 143.0 | n.a. |
| Pinewood(1000 met. tons) | 301.0 | 649.0 | n.a. |

| UNITED STATES INVESTMENTS IN LATIN AMERICA (In millions of dollars) | 1950 |
|---|---|
| Direct private | 627.0 |
| Direct U.S. Gov't | 134.0 |
| Other | 468.7 |
| Total | 1,229.7 |

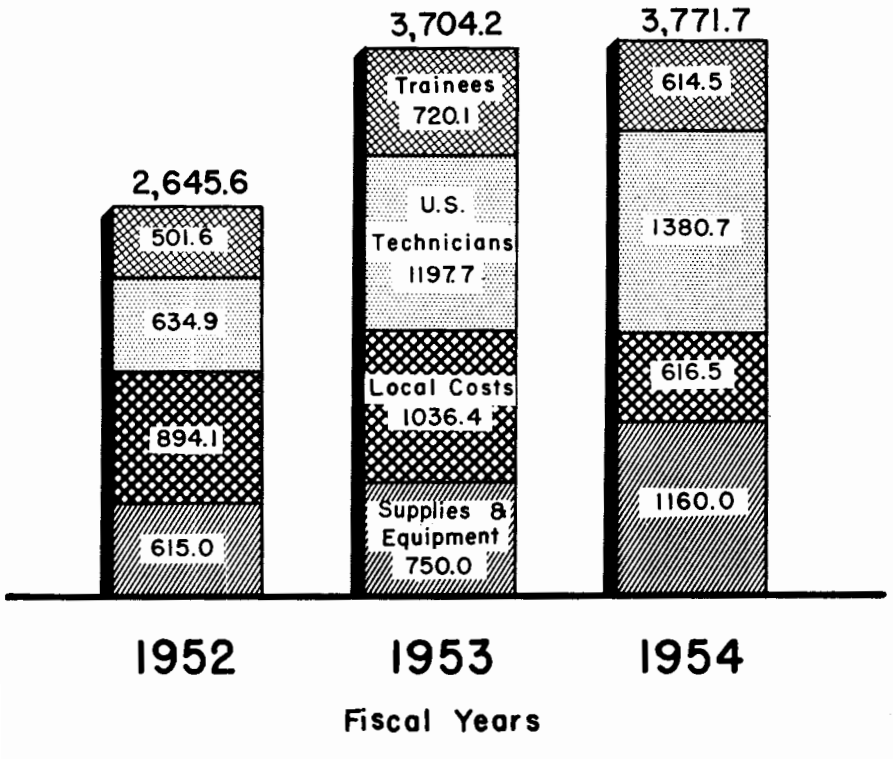
PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53
(Thousand dollars)

| Major Field of Activity | 1952 | 1953 |
|---|---|---|
| Agric., For., Fisheries | 403.2 | 679.7 |
| Health and Sanitation | 741.2 | 806.9 |
| Education | 421.7 | 460.7 |
| Natural Resources | 193.4 | 292.5 |
| Ind. and Labor | 69.0 | 429.2 |
| Transportation | - | 142.1 |
| Pub. Admin. | 211.6 | 251.0 |
| General Project | 515.0 | 483.2 |
| Domestic program costs | 90.5 | 158.9 |
| Total | 2645.6 | 3704.2 |

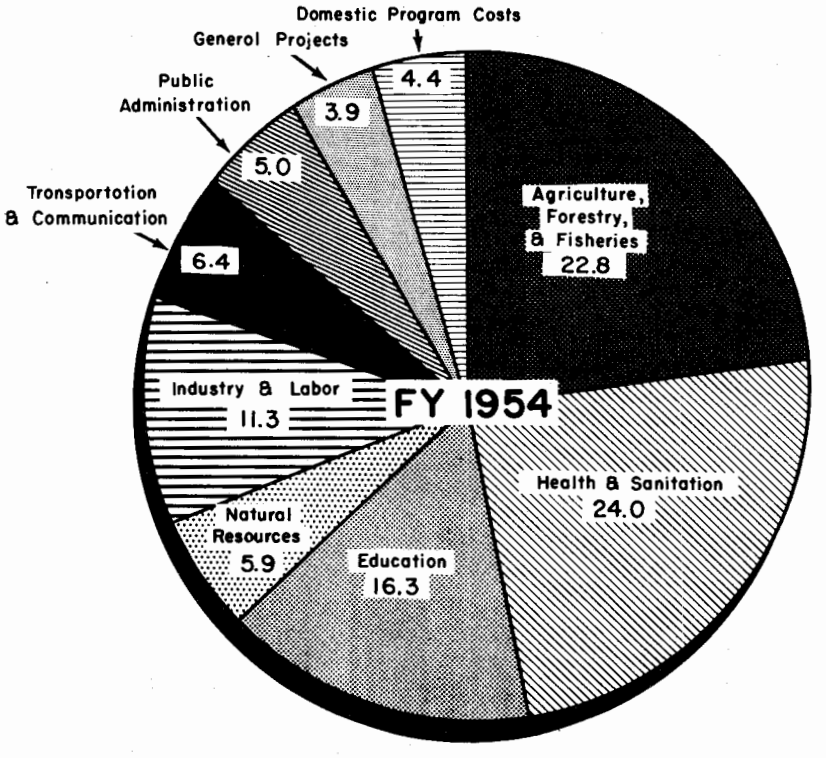
DISTRIBUTION OF COSTS FOR FY 1954
(Thousand dollars)

| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 859.9 | 332.4 | 37.5 | 330.0 | 160.0 |
| 904.9 | 390.5 | 104.0 | 330.0 | 80.4 |
| 613.6 | 127.0 | 64.5 | 330.0 | 92.1 |
| 223.2 | 138.0 | 19.0 | - | 66.2 |
| 427.5 | 90.5 | 54.0 | 170.0 | 113.0 |
| 240.0 | 65.7 | 161.3 | - | 13.0 |
| 187.6 | 75.6 | 64.5 | - | 47.5 |
| 147.3 | 103.0 | - | - | 44.3 |
| 167.7 | 58.0 | 109.7 | - | - |
| 3771.7 | 1380.7 | 614.5 | 1160.0 | 616.5 |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# CHILE

## GENERAL SITUATION

Chile has a serious food supply problem, since the annual rate of food increase lags behind the rate of population growth. A systematic geological survey is needed to discover new mineral deposits if production and export of minerals are to be increased. Chile has a critical housing shortage. The population increase as well as the migration to and concentration of population in industrial areas have created a problem considered most serious by the Chilean Government. Inadequate food and housing have affected health conditions. The incidence of accidents and occupational diseases among industrial workers is high. Chilean industry is vitally in need of technological assistance.

## PROGRAM OBJECTIVES

To assist the Government of Chile to improve the health, shelter, food supply and economic development of its people. Existing programs in health and food supply and newly initiated programs of geological surveys, low cost housing, aid to medium and small industry and improvement of railroad efficiency can do much to help solve many of the country's problems and to limit the dangers resulting from an economy dependent upon export of copper and nitrates for foreign exchange needed to purchase certain necessary foods and manufactured items.

## PROGRESS TO DATE

The U. S. technical cooperation program in Chile, which until recently has been confined almost exclusively to the fields of health and sanitation, has made substantial contributions to the solution of Chile's health problems. The operations of the program serve as models of what can be accomplished. The Chilean Government has not only taken over practically all of the completed cooperative projects, but has extended independently similar activities to other parts of the country. Chile has thus effectively utilized the technical cooperation extended by the United States. The interest of the Chilean Government in the cooperative health and sanitation program is further demonstrated by its financial contributions which are about 5 times as much as those of the U.S.

The agricultural and industrial programs give promise of the great usefulness in achieving their objectives. In view of past experience there seems no reason to doubt the ability of Chile to utilize effectively the newer types of cooperation which are being developed.

Seventy-four trainees have returned to Chile after training in the United States.

## MAJOR ACTIVITIES IN FISCAL YEAR 1954

Agriculture, Forestry and Fisheries
Increase wheat production, through expanded acreage and improved varieties; livestock improvement; soil and water conservation; organizing machinery pools for land preparation; formulating plans for programs in selected areas in cooperation with other branches of the Chilean government.

Health and Sanitation
Country-wide technical assistance in operating health centers, hospitals and other health facilities; health education; development of an industrial hygiene program; environmental sanitation projects (building water supply and sewerage systems, privy construction, food inspection and control); improving the collection and analysis of vital statistics and the government's housing program.

Education
Advising the Ministry of Agriculture on the administrative organization, the equipment and the curriculum of Chile's schools of vocational agriculture; the Ministry of Education on establishment of a system for training of teachers of vocational industrial schools; begin a study of the needs for vocational instructional materials.

Natural Resources - Survey of mineral resources for geological studies and mapping.

Industry, Trade and Labor
Continue development of the Servicio helping to increase the productivity of small and medium industries; assist in encouraging and aiding local interests to find private U.S. capital for industrial development and in aiding U. S. investors to locate opportunities for investment.

Transportation and Communication - U. S. consultant to advise the Chilean Government on problems of administration and operation of its railroads.

Public Administration - Consultant services to the government Ministries cooperating in technical assistance programs on problems of public administration and management.

Training - Grants are provided in the following fields: Agriculture, Health and Sanitation, Education, Natural Resources, Industry and Labor, Public Administration.

# CHILE

| GENERAL | |
|---|---|
| | 1951 |
| AREA(1000 sq. mi.) | 286 |
| POPULATION (thousands) | 5,912 |

| PRICE INDEXES | 1938 | 1950 | 1951 |
|---|---|---|---|
| Wholesale (Santiago 1948=100) | 28 | 134 | 175 |
| Cost of living (Santiago 1948=100) | 23 | 137 | 167 |

| INCOME AND PRODUCTION | 1950 |
|---|---|
| Per capita income (dollars) | 190 (1949) |
| Agricultural production index (1935-39= 100) | 115 |

| INTERNATIONAL TRADE (Million dollars) | 1938 | 1951 | 1952 |
|---|---|---|---|
| Total exports | 131.0 | 371.0 | 456.0 |
| Total imports | 103.0 | 329.0 | 371.0 |
| United States trade | | | |
| Exports to U. S. | 22.1 | 203.5 | n.a. |
| Imports from U.S. | 28.6 | 165.9 | n.a. |
| Principal commodity exports | | | |
| Sodium nitrate (1000 metric tons) | 1573 | 1601 | n.a. |
| Copper(1000 metric tons) | 349 | 319 | n.a. |

| UNITED STATES INVESTMENTS IN LATIN AMERICA (In millions of dollars) | 1950 |
|---|---|
| Direct private | 529.9 |
| Direct U.S. Gov't | 113.0 |
| Other | 107.8 |
| Total | 750.7 |

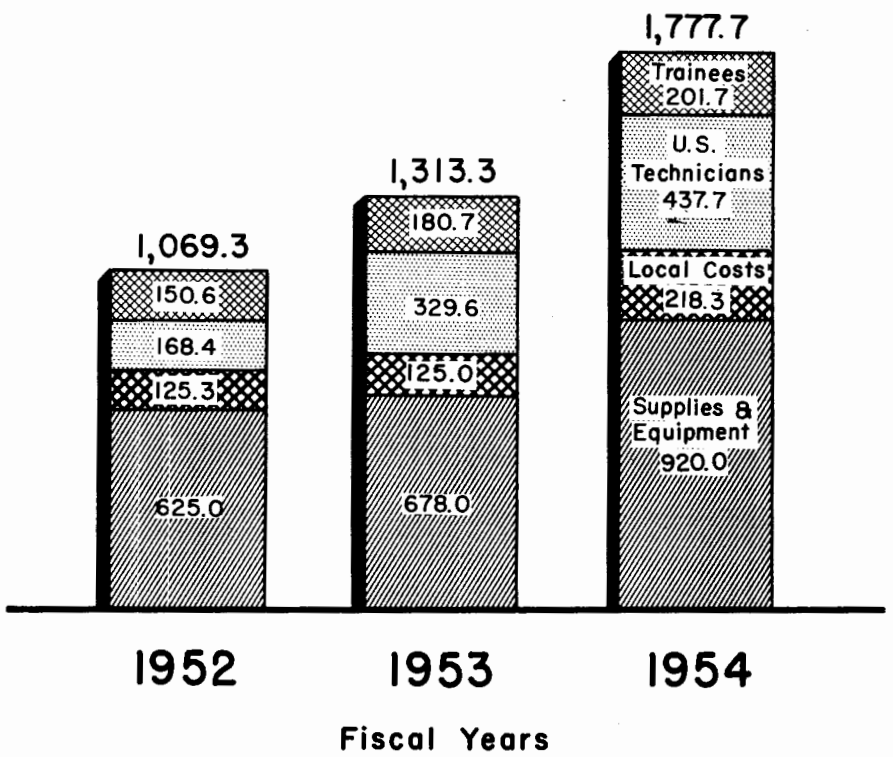
PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53
(Thousand dollars)

| Major Field of Activity | 1952 | 1953 |
|---|---|---|
| Agric., Forest., Fisheries | 514.1 | 511.3 |
| Health and Sanitation | 396.2 | 465.9 |
| Education | 32.4 | 20.8 |
| Natural Resources | 9.1 | 19.1 |
| Ind. and Labor | 65.6 | 192.2 |
| Transportation | - | - |
| Public Admin. | 32.2 | 66.6 |
| General Project | - | - |
| Domestic Program Costs | 19.7 | 37.4 |
| Total | 1069.3 | 1313.3 |

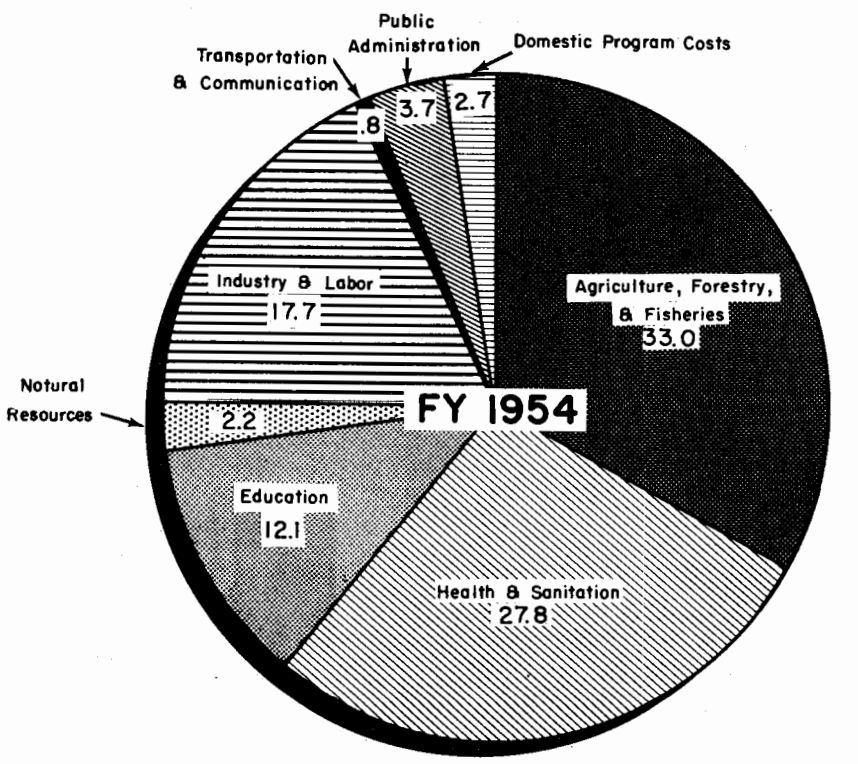
DISTRIBUTION OF COSTS FOR FY 1954
(Thousand dollars)

| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 585.9 | 131.9 | 64.5 | 345.0 | 44.5 |
| 494.5 | 123.2 | 42.6 | 270.0 | 58.7 |
| 214.8 | 19.4 | 34.4 | 155.0 | 6.0 |
| 39.0 | 17.4 | 8.6 | - | 13.0 |
| 315.1 | 84.6 | 12.9 | 150.0 | 67.6 |
| 15.0 | 12.5 | - | - | 2.5 |
| 65.6 | 31.0 | 8.6 | - | 26.0 |
| - | - | - | - | - |
| 47.8 | 17.7 | 30.1 | - | - |
| 1777.7 | 437.7 | 201.7 | 920.0 | 218.3 |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# COLOMBIA

## GENERAL SITUATION

Colombia's economy is primarily agricultural with approximately 80% of its foreign exchange derived from the sale of coffee and most of the remaining 20% from the export of bananas and gold. More diversification in agriculture would enable the country to enter export markets, including the Canal Zone. The need for technical assistance is great and illiteracy and educational deficiencies contribute to general poverty. Colombia produces most of her own foodstuffs but diets are poor. There is a lack of electric power, poor transportation, limited industrial development and inadequate government services all of which further handicap development.

## PROGRAM OBJECTIVES

1. To increase coffee and rubber production, and to develop water conservation methods.
2. To improve health conditions through control of various debilitating diseases.
3. To develop industrial hygiene, health education and nurse training.
4. To develop vocational training and teacher training workshops.
5. To encourage and develop coal mining and other mineral resources.
6. To develop irrigation and power resources.
7. To improve and modernize public administration.
8. To encourage increased private investment of U. S. and local capital.

## PROGRESS TO DATE

Colombia has evidenced a wholehearted interest in utilizing U. S. technical assistance. Colombian contributions to the health and sanitation program have increased steadily, reaction to assignments of professors to agricultural schools has been excellent, effective assistance in coffee plant pathology and breeding has been well received, as has specialized training of grantees in the United States. By March 1953, 138 Colombians, of whom 88 are working for the government in their specialties, had been trained in the United States. Colombian requests for technical assistance are pending in many fields.

## MAJOR ACTIVITIES IN FISCAL YEAR 1954

Agriculture, Forestry and Fisheries - (1) Assist Ministry of Agriculture to expand and modernize its program of extension aid to farmers; (2) assist the Ministry of Education by contract with Michigan State College; (3) improve soil fertility, plant breeding and development of improved techniques of coffee production and use of by-products; (4) assistance in the operation of a rubber plantation; (5) surveys of several areas for irrigation, drainage and flood control purposes.

Health and Sanitation - (1) Operate a demonstration health center and cooperate in campaigns to control yaws, malaria, yellow fever and other diseases; (2) assist in development of industrial hygiene program; (3) assist in health education and technical direction to National School of Nursing; (4) provision of assistance to the major medical schools of Colombia; (5) assistance in construction of water supply and sewerage systems, garbage and waste disposal and other phases of sanitation; (6) special services in housing; (7) social welfare phases of health work.

Education - (1) Conduct several teacher training workshops; (2) determination of curriculum and equipment needs in vocational education.

Natural Resources - (1) Cooperation with reference to surveys of coal and other mineral resources; (2) advise on operation and management of a large irrigation project; (3) assistance in building of railroad financed by International Bank.

Industry, Trade and Labor - (1) Evaluate possibilities of industrial development; (2) expand labor and industrial training program; (3) encourage and aid local interests seeking U. S. capital and U. S. investors seeking investments.

Transportation - (1) Assist in port management and tariffs; (2) assist in civil aviation and advise on maintenance and operation of all forms of transportation.

Public Administration - Provide public administration services to federal, state and local governments.

Training - Training grants are provided for in: Agriculture, Health and Sanitation; Education; Natural Resources; Industry and Labor; Transportation; and Public Administration.

# COLOMBIA

| GENERAL | 1951 |
|---|---|
| AREA (1000 sq. mi.) | 440 |
| POPULATION (thousands) | 11,266 |

| PRICE INDEXES | 1938 | 1950 | 1951 |
|---|---|---|---|
| Cost of Living (Bogota 1948=100) | 40 | 129 | 140 |

| INCOME AND PRODUCTION | 1950 | 1951 |
|---|---|---|
| Per capita income (dollars) | 130 (1949) | 243 |
| Agricultural production index (1935-1939=100) | 160 | n.a. |

| INTERNATIONAL TRADE (Million dollars) | 1938 | 1951 | 1952 |
|---|---|---|---|
| Total exports | 81.0 | 460.0 | 461.0 |
| Total imports | 89.0 | 416.0 | 402.0 |
| United States trade | | | |
| Exports to U.S. | 42.0 | 362.2 | n.a. |
| Imports from U.S. | 44.0 | 224.1 | n.a. |
| Principal commodity exports | | | |
| Coffee (1000 metric tons) | 253.7 | 298.8 | n.a. |
| Petroleum (millions of barrels) | 18.5 | 32.2 | n.a. |

| UNITED STATES INVESTMENTS IN LATIN AMERICA (In millions of dollars) | 1950 |
|---|---|
| Direct private | 193.5 |
| Direct U.S. Gov't | 41.0 |
| Other | 122.6 |
| Total | 357.1 |

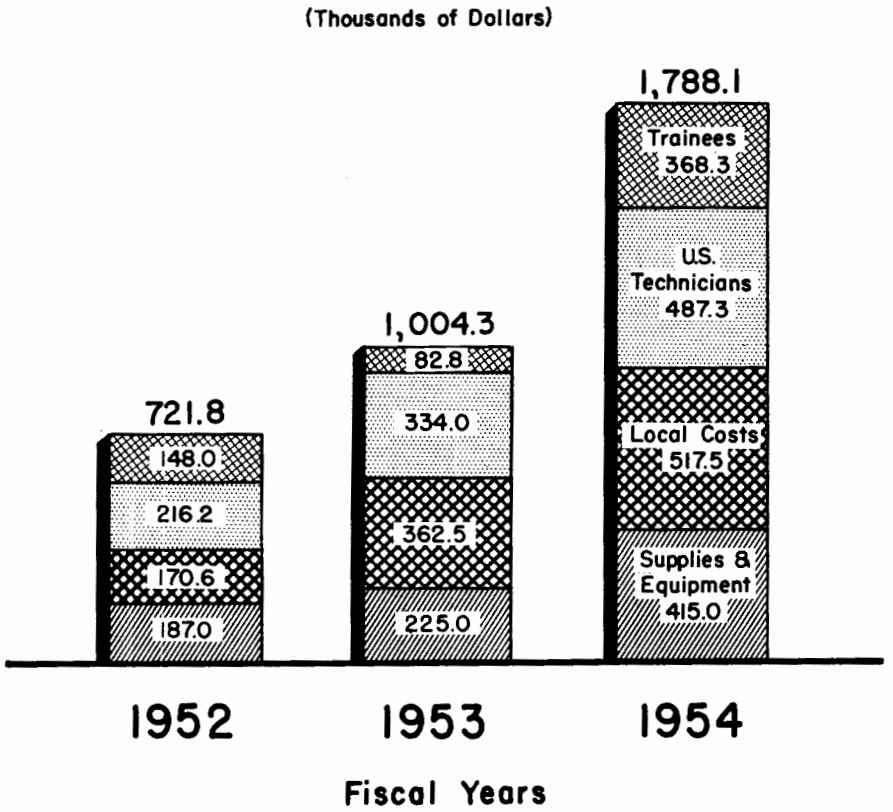
PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53
(Thousand dollars)

| Major Field of Activity | 1952 | 1953 |
|---|---|---|
| Agric., Forest., Fisheries | 233.9 | 487.2 |
| Health and Sanitation | 351.6 | 305.1 |
| Education | — | — |
| Natural Resources | 32.2 | 96.9 |
| Ind. and Labor | 2.5 | 21.8 |
| Transportation | 80.4 | 44.3 |
| Public Admin. | — | 15.4 |
| General Project | — | — |
| Domestic Program Costs | 21.2 | 33.6 |
| Total | 721.8 | 1004.3 |

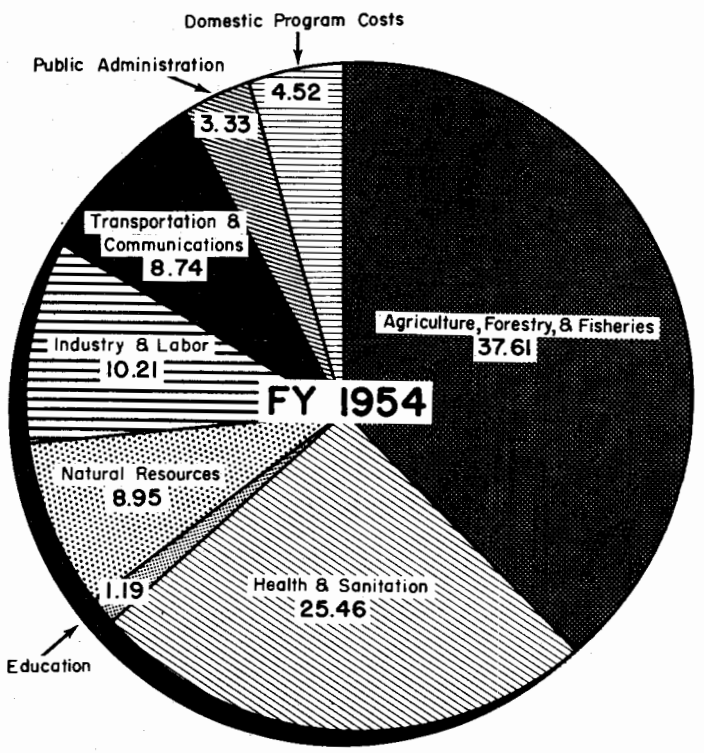
DISTRIBUTION OF COSTS FOR FY 1954
(Thousand dollars)

| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 672.5 | 136.6 | 103.2 | 130.0 | 302.7 |
| 455.2 | 163.7 | 37.5 | 175.0 | 79.0 |
| 21.3 | 7.7 | 8.6 | — | 5.0 |
| 160.0 | 37.7 | 8.6 | — | 113.7 |
| 182.6 | 20.1 | 47.3 | 110.0 | 5.2 |
| 156.2 | 75.6 | 73.1 | — | 7.5 |
| 59.5 | 20.7 | 34.4 | — | 4.4 |
| — | — | — | | |
| 80.8 | 25.2 | 55.6 | — | — |
| 1788.1 | 487.3 | 368.3 | 415.0 | 517.5 |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# COSTA RICA

## GENERAL SITUATION

Costa Rica's economy has been based on bananas and coffee, the latter having a highly fluctuating value in world markets. Some basic foodstuffs are normally imported or are in short supply. Certain areas with a high potential for food production have only seasonal rainfall; others do not have transportation facilities adequate to bring foodstuffs to market. Other significant factors are the high cost of production due to inefficient methods, low quality of seed and livestock, and low farm income. Intestinal diseases caused by parasites as well as other health problems greatly reduce human efficiency. The government realizes its need for assistance in administration, procurement, census, other statistical services, tariffs and civil service.

## PROGRAM OBJECTIVES

(1) To provide cooperative means of improving agriculture extension and research, raising dietary standards and achieving self-sufficiency in food production; (2) to improve the general level of health by providing technical assistance in preventive medical services, by engaging in demonstration projects in housing, social welfare, vital statistics, and environmental sanitation, training professionals and non-professionals, and by assisting in developing health education; (3) to assist in planning and carrying out a large-scale irrigation and hydroelectric project; (4) to assist in development of new and existing small industries and encouraging increased private investment of U. S. and local capital in industrial development; (5) to assist in the development of the transportation system; (6) to advise on improving of public administration.

## PROGRESS TO DATE

The results of U. S. assistance have led to Costa Rica's developing an economic program of its own. By disease control, coffee production is expected to increase by 15%. Production of food crops has been markedly increased by operation of 30 extension agencies. Rice, corn and beans are now exported where they were formerly imported; development of high yielding and disease-resistant rubber seedlings promise large increases in rubber production; irrigation systems have been installed for 10,000 acres of farmland and erosion control measures applied to 20,000 acres. Forest conservation measures have been initiated, a soil survey has been completed, and heavy machinery pools and a program of land clearing and cultivation on a reimbursable basis have been established. Assistance has been given in the conduct of an emergency yellow fever eradication campaign by vaccinating 145,224 persons; 10 health centers have been constructed of which 5 are operated as demonstration projects by the cooperative health services; 2 water supply systems have been completed; assistance was given to 2 municipalities in the operation of sewage treatment plants; and sanitation programs have been conducted in 28 local communities. Advice has been given in planning the building of a 1,500 bed hospital. A hydraulic engineer has studied water supply, and a geologist has investigated dam sites in the Tempisque Valley watershed. Technical advice was given on construction and enlargement of two airports; a survey and preliminary report have been completed for modernization of the two principal seaports. Assistance was given in the organization and establishment of a central statistical organization. By December 1952, 16 trainees under the program had returned to Costa Rica, and occupied significant positions in their trained capacities in the Costa Rican Government.

## MAJOR ACTIVITIES IN FISCAL YEAR 1954

Agriculture, Forestry and Fisheries - (1) Increasing coffee yields and improving production of cacao, rice, citrus, and other tropical crops; (2) imparting basic agricultural knowledge and techniques to farmers; (3) studying techniques for increasing rubber production; (4) making studies of domestic and foreign markets; (5) encouraging cooperation between the extension service and the rural credit program; (6) providing technical services to farmers in soil conservation and irrigation; (7) the establishment and operation of a heavy machinery pool.

Health and Sanitation - (1) Communicable disease control; assisting in the operation of health centers; making epidemiological investigations; (2) organizing and strengthening health education; (3) planning and installing sanitary water facilities and sewage disposal systems; (4) cooperation in nursing education program and assistance in maternal and infant care; (5) architectural advice in hospital remodeling and design; (6) housing demonstration projects; (7) preparation of plans for reorganizing vital statistics system.

Natural Resources - Continuation of engineering investigations of irrigation possibilities.

Industry, Trade and Labor - (1) Survey potential lumber productivity for low cost housing and give part-time assistance to medium and small industries; (2) aiding local interests to find private U. S. capital for industrial development, and U. S. investors to locate opportunities for investments.

Transportation and Communications - (1) Preparation of reports covering needs for airport development and civil aviation programs; (2) carry out a sea port modernization program.

Public Administration - (1) Advice on establishment and administration of a civil service system; (2) Assistance in modernizing census statistics system; in the establishment of new customs regulations and rate structures; in developing of tax administration; and in developing testing standards facilities.

Training - Training grants are proposed in Agriculture, Forestry and Fisheries; Health and Sanitation; Natural Resources; Industry and Labor; Transportation; Public Administration.

# COSTA RICA

| GENERAL | 1951 |
|---|---|
| AREA (1000 sq. mi.) | 18.9 |
| POPULATION (thousands) | 831 |

| PRICE INDEXES | 1938 | 1950 | 1951 |
|---|---|---|---|
| Wholesale (San Jose 1948=100) | 43 | 112 | 115 |
| Cost of living (San Jose 1948=100) | 47 | 119 | 127 |

| INCOME AND PRODUCTION | 1938 | 1950 | 1951 |
|---|---|---|---|
| Per capita income (dollars) | n.a. | 130(1949) | 180 |

| INTERNATIONAL TRADE (Million dollars) | 1938 | 1951 |
|---|---|---|
| Total exports | 9.3 | 62.0 |
| Total imports | 12.6 | 55.9 |
| United States Trade | | |
| Exports to U. S. | 4.6 | 48.0 |
| Imports from U. S. | 5.3 | 36.9 |
| Principal commodity exports | | |
| Coffee(1000 metric tons) | 25.0 | 18.3 |
| Cacao beans (1000 metric tons) | 5.5 | 2.7 |
| Bananas (millions of stems) | 5.0 | 10.0 |

| UNITED STATES INVESTMENTS IN LATIN AMERICA (In millions of dollars) | 1950 |
|---|---|
| Direct private | 62.1 |
| Direct U.S. Gov't | 13.0 |
| Other | 14.0 |
| Total | 89.1 |

PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53
(Thousand dollars)

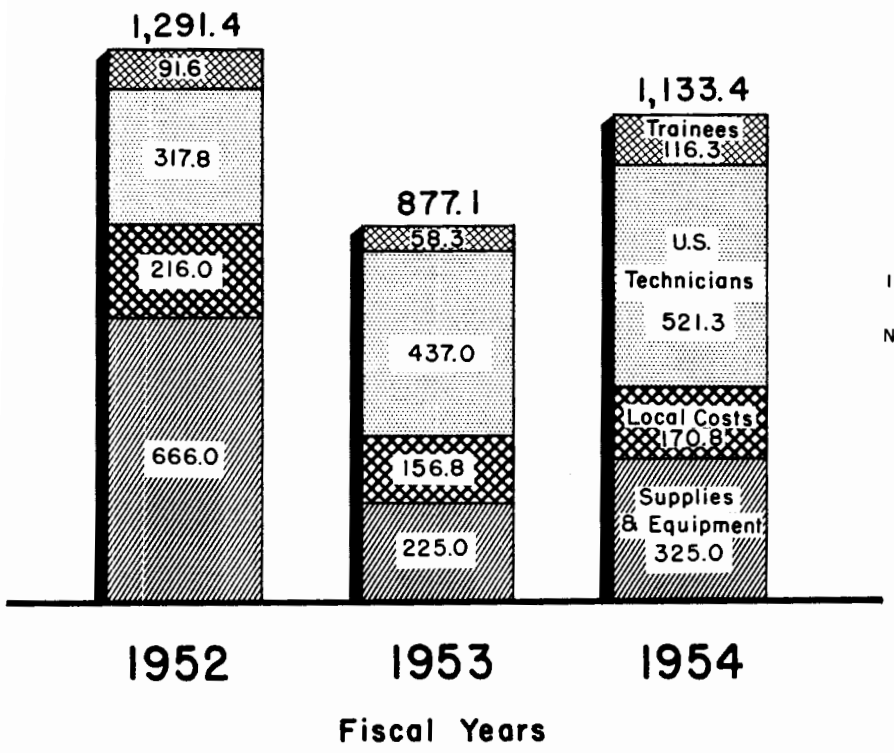
| Major Field of Activity | 1952 | 1953 |
|---|---|---|
| Agric., Forest., Fisheries | 947.0 | 511.5 |
| Health and Sanitation | 228.2 | 201.4 |
| Education | - | - |
| Natural Resources | - | 14.2 |
| Ind. and Labor | - | - |
| Transportation | 31.4 | 51.7 |
| Public Admin. | 54.1 | 70.6 |
| General Project | - | - |
| Domestic Program Costs | 30.7 | 27.7 |
| Total | 1291.4 | 877.1 |

DISTRIBUTION OF COSTS FOR FY 1954
(Thousand dollars)

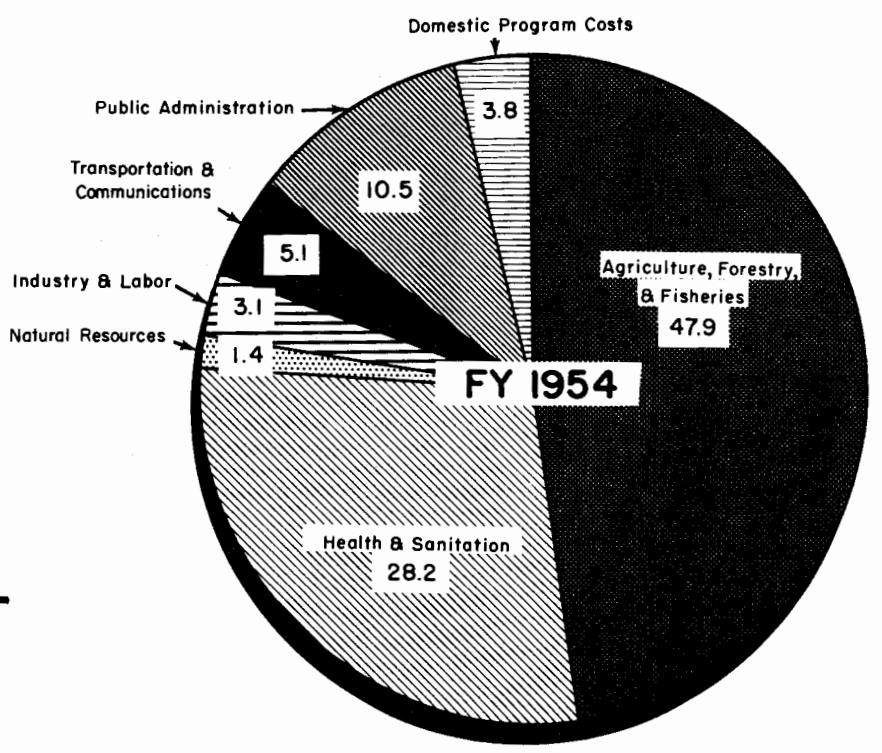
| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 542.4 | 245.4 | 16.5 | 180.0 | 100.5 |
| 319.8 | 129.7 | 32.6 | 145.0 | 12.5 |
| - | - | - | - | - |
| 15.5 | 12.3 | 3.2 | - | - |
| 35.5 | 17.7 | 6.5 | - | 11.3 |
| 58.4 | 24.4 | 13.0 | - | 21.0 |
| 119.3 | 71.1 | 22.7 | - | 25.5 |
| - | - | - | - | - |
| 42.5 | 20.7 | 21.8 | - | - |
| 1133.4 | 521.3 | 116.3 | 325.0 | 170.8 |

## COUNTRY PROGRAM BY COST FACTORS

(Thousands of Dollars)




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# CUBA

## GENERAL SITUATION

Cuba's one crop agricultural economy based on sugar is economically vulnerable. Technical assistance is needed to develop a more diversified agriculture and activities which could absorb the labor supply in the off season for sugar. Cuba has mineral resources, the extent and nature of which are unproved, and needs technical assistance to ascertain their possibilities for exploitation. The country has requested technical assistance for developing an industrial process for the manufacture of sugar cane bagasse into paper pulp. Cuba has health problems, though these are less pressing than in many other Latin American countries, and there is much to be done in improving education.

## PROGRAM OBJECTIVES

(1) Continuation of the research work on production of kenaf, from which fiber for rope-making is obtained; (2) gradually broaden the base of technical assistance through cooperation with the Agricultural Credit Bank and other agricultural agencies; (3) development of mineral resources through cooperation with the Agricultural Credit Bank; (4) improvement of Civil Aviation facilities; (5) establishment of a testing and standards laboratory.

## PROGRESS TO DATE

The project for improvement of kenaf production has been operating ten years and substantial gains have been made in developing new varieties and seeds and in the improvement of the decorticating processes. Private investment in kenaf is estimated in excess of $1,000,000 and the 1952 production amounted to one-half million pounds from seven producers; technical training in civil aviation is underway; the establishment of the testing and standards laboratory was delayed last year by the change of government. Of ten trainees returned to Cuba since the beginning of the program, eight are employed with the government in responsible positions.

## MAJOR ACTIVITIES IN FISCAL YEAR 1954

Agriculture, Forestry and Fisheries - Continuation of the kenaf development project with emphasis on: (1) Engineering development of decorticating machinery and processes; (2) breeding to continue development of stronger disease-resistant varieties of kenaf; (3) extension activities to assist kenaf producers in cultivating and processing; (4) technical support to the U.S. fiber purchase program; and (5) assistance in forest land appraisal and advice on agricultural credit.
Natural Resources - Preliminary studies and consideration of a future program in mineral development and geological resources investigation and mapping.
Transportation and Communication - Technical advice in civil aviation facilities.
Public Administration - Assistance in establishing a testing and standards laboratory.
Training - Training grant awards are proposed for: Agriculture; Forestry and Fisheries; Transportation; and Public Administration.

# CUBA

| GENERAL | 1951 |
|---|---|
| AREA (1000 sq. miles) | 44 |
| POPULATION (thousands) | 5,600 |

| PRICE INDEXES | 1938 | 1950 | 1951 |
|---|---|---|---|
| Wholesale - sugar only (1948 = 100) | 34.0 | 118.0 | 134.0 |
| Cost of living (Havana 1948 = 100) | 37.0 | 84.0 | 94.0 |

| INCOME AND PRODUCTION | 1950 | 1951 |
|---|---|---|
| Per capita income (dollars) (1949) | 332 | n.a. |
| Agricultural Production Index (1935-1939 = 100) | 157 (1949-1950) | 160 (1950-51) |

PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53
(Thousand dollars)

| Major Field of Activity | 1952 | 1953 |
|---|---|---|
| Agr.,For.,Fisheries | 124.4 | 156.2 |
| Health & sanitation | 15.8 | - |
| Education | - | - |
| Natural resources | - | 77.2 |
| Industry & labor | - | - |
| Transportation | - | 3.2 |
| Pub. Admin. | 4.8 | 8.9 |
| General Project | - | - |
| Domestic Program Costs | 8.5 | 11.7 |
| Total | 153.5 | 257.2 |

INTERNATIONAL TRADE
(Million Dollars)

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Total exports | 146.0 | 760.0 | 692.0 |
| Total imports | 108.0 | 640.0 | n.a. |
| United States trade | | | |
| Exports to U.S. | 118.2 | 417.0 | n.a. |
| Imports from U.S. | 74.5 | 492.8 | n.a. |
| Principal commodity exports | | | |
| Crude & refined sugar (mil. of lbs.) | 5822.4 | 11882.0 | n.a. |
| Raw tobacco (mil.of lbs.) | 28.0 | 37.6 | n.a. |
| Molasses (mil.of gal.) | 211.5 | 202.9 | n.a. |

UNITED STATES INVESTMENTS IN LATIN AMERICA
(In millions of dollars)

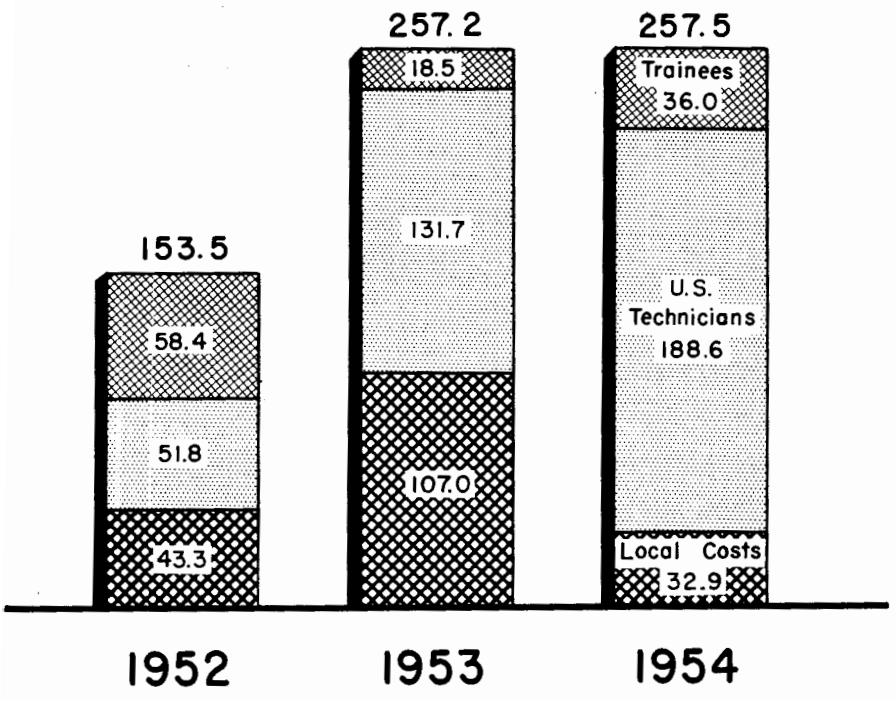
| | 1950 |
|---|---|
| Direct private | 638.4 |
| Direct U.S. Government | 137.0 |
| Other | 78.5 |
| Total | 853.9 |

DISTRIBUTION OF COSTS FOR FY 1954
(Thousand dollars)

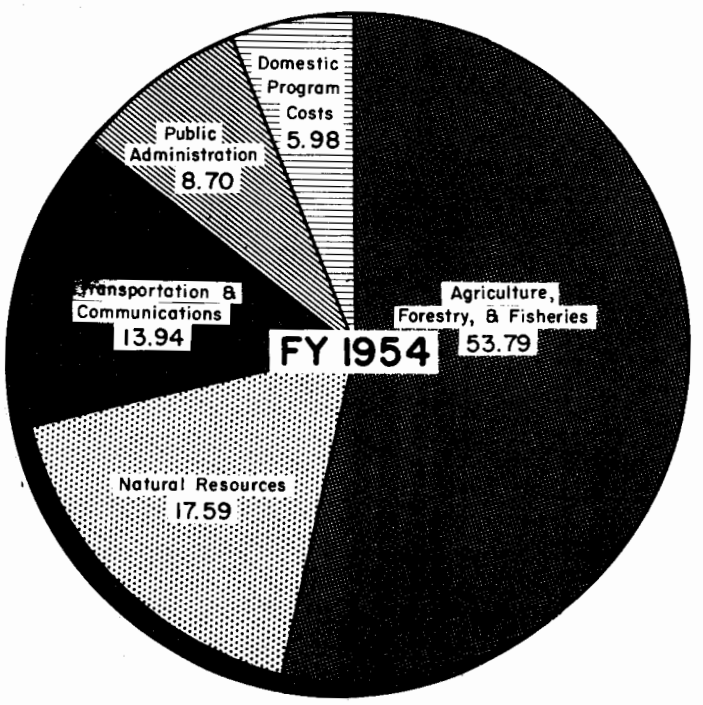
| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 138.5 | 110.5 | 13.0 | - | 15.0 |
| - | - | - | - | - |
| - | - | - | - | - |
| 45.3 | 40.4 | - | - | 4.9 |
| - | - | - | - | - |
| 35.9 | 19.4 | 13.0 | - | 3.5 |
| 22.4 | 9.7 | 3.2 | - | 9.5 |
| - | - | - | - | - |
| 15.4 | 8.6 | 6.8 | - | - |
| 257.5 | 188.6 | 36.0 | - | 32.9 |

## COUNTRY PROGRAM BY COST FACTORS

(Thousands of Dollars)




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# DOMINICAN REPUBLIC

## GENERAL SITUATION

Approximately 80% of the Dominican people depend upon agriculture for a living. Technical assistance is needed to improve productivity of the land, to provide greater crop diversification and to institute methods of insect control. With three-fifths of the people illiterate, the country needs improved educational facilities, with emphasis on elementary and vocational training. Improved health and sanitation measures are necessary to increase the efficiency of work and the productivity of the people. Greater development of small industries and handicrafts would contribute to the overall economic development.

## PROGRAM OBJECTIVES

1. To improve and diversify the agricultural ecohomy, thereby reducing dependence on sugar.
2. To raise the general level of health through improvement of health facilities.
3. To improve basic vocational and rural education techniques and facilities, thereby providing the people with skills and abilities to raise living standards and contribute to the country's overall economic development.
4. To map and survey the territory of the Republic.
5. To develop small industry and encourage increased investment of private funds in area development.
6. Toimprove civil aviation facilities.

## PROGRESS TO DATE

The program of U. S. technical assistance, reinstituted in the Dominican Republic in 1951, has not been underway sufficiently long to have produced outstanding accomplishments. The Education program, terminated in 1948 owing to lack of funds, appears to have left permanent benefits. The work begun under U. S. technicians is being carried on by the Dominican Government with the same national technicians trained by IIAA personnel. The degree of interest and cooperation in the present programs of agriculture, education, and public health augers well for their success. The Dominican Government and people have enthusiastically received U. S. technical assistance and recognize its value. The total program to date has made a significant contribution to strengthening U. S. Dominican understanding and Inter-American solidarity.

## MAJOR ACTIVITIES IN FISCAL YEAR 1954

Agriculture, Forestry and Fisheries - (1) Research on tobacco and cotton; diversification, insect problems and methods of control; establishment of laboratory; use of fertilizers and erosion control methods. (2) Rubber research and development to produce hybrid varieties of disease-resistant trees; distribution nursery. (3) Fisheries - Studies of production.
Health and Sanitation - Nursing - Development of a long-term nursing program; opening a National School for Nurses involving recruitment of high-school graduates, selection of faculty, preparation of curriculum and courses for ward supervisors and nurse aides already employed; plans to reestablish cooperative health and sanitation program including environmental sanitation.
Education - (1) Vocational - Complete facilities for new vocational school, train teachers and develop teaching materials in Spanish for machine shop, auto mechanics, plumbing and assist with industrial arts in public schools. (2) Rural - Initiate a rural elementary program aimed at removal of illiteracy, teaching of agriculture, health and sanitation, home improvement and simple manual skills; selection of rural normal schools for pilot teacher education program.
Natural Resources - Setting up a National Geographic Institute; surveying and mapping.
Industry, Trade and Labor - Industrial Development, stimulation of local production of handicrafts and survey of industrial potential of the country; assistance in encouraging and aiding local interests to find private U. S. capital for industrial development and U. S. investors to locate opportunities for investment.
Transportation and Communications - Civil Aviation - Provision of training awards needed to improve civil aviation facilities.
Public Administration - Development of a training program in various fields of public administration.
Training - Awards have been provided for in the following fields: Agriculture, Forestry and Fisheries, Health and Sanitation, Education, Natural Resources, Industry and Labor, Transportation and Public Administration.

# DOMINICAN REPUBLIC

## GENERAL

| | 1951 |
|---|---|
| AREA(1000 sq. mi.) | 19. |
| POPULATION (thousands) | 2,167 |

## PRICE INDEXES

| | 1938 | 1950 | 1951 |
|---|---|---|---|
| Wholesale (Ciudad Trujillo 1948=100) | 35(1941) | 83 | 93 |
| Cost of living (1948 = 100) | 44(1941) | 96 | 105 |

## INCOME AND PRODUCTION

| | 1938 | 1950 | 1951 |
|---|---|---|---|
| Per Capita Income(dollars) | N.A. | 70(1949) | 136 |

## INTERNATIONAL TRADE
(Million dollars)

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Total exports | 14.7 | 108.4 | 114.4 |
| Total imports | 11.3 | 56.0 | 57.6 |
| United States Trade | | | |
| Exports to U.S. | 5.1 | 49.1 | n.a. |
| Imports from U.S. | 5.9 | 48.5 | n.a. |
| Principal commodity exports | | | |
| Sugar(1000 metric ton) | 403.5 | 474.5 | n.a. |
| Cocoa " " " | 28.4 | 22.8 | n.a. |
| Raw tobacco(1000 metric ton) | 7.4 | 16.0 | n.a. |

## UNITED STATES INVESTMENTS IN LATIN AMERICA
(In millions of dollars)

| | 1950 |
|---|---|
| Direct private | 105.7 |
| Direct U.S. Gov't | 23.0 |
| Other | 7.1 |
| | 135.8 |

## PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53
(Thousand dollars)

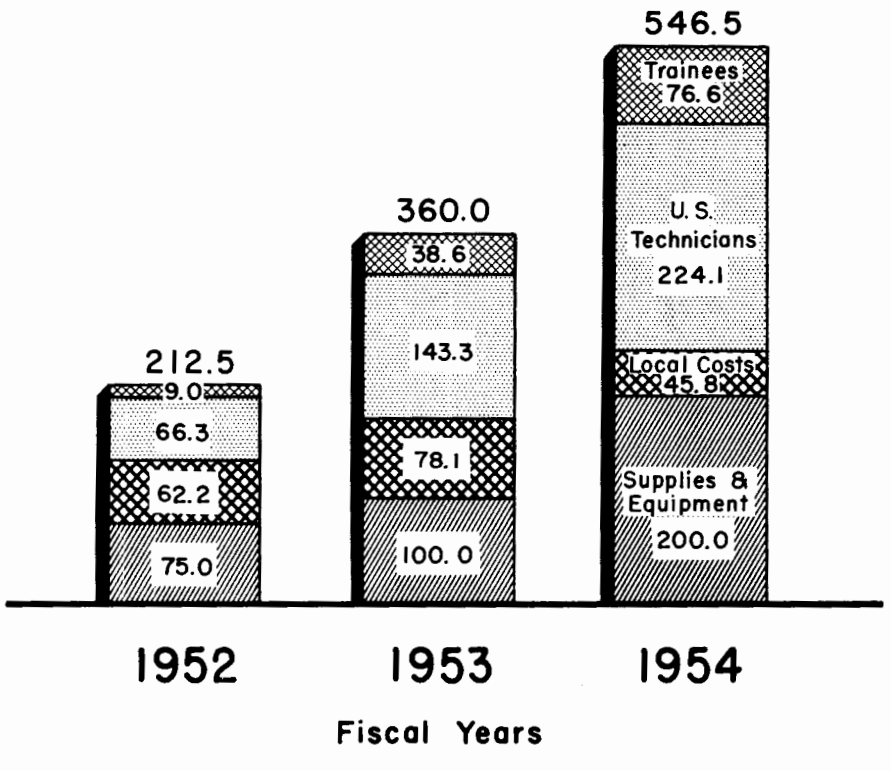
| Major Field of Activity | 1952 | 1953 |
|---|---|---|
| Agri., Forest., Fisheries | 55.6 | 71.2 |
| Health and Sanitation | - | 26.8 |
| Education | 147.5 | 202.0 |
| Natural Resources | - | 3.3 |
| Ind. and Labor | - | 44.4 |
| Transportation | - | - |
| Public Admin. | 2.6 | - |
| General Project | - | - |
| Domestic Program Costs | 6.8 | 12.3 |
| Total | 212.5 | 360.0 |

## DISTRIBUTION OF COSTS FOR FY 1954
(Thousand Dollars)

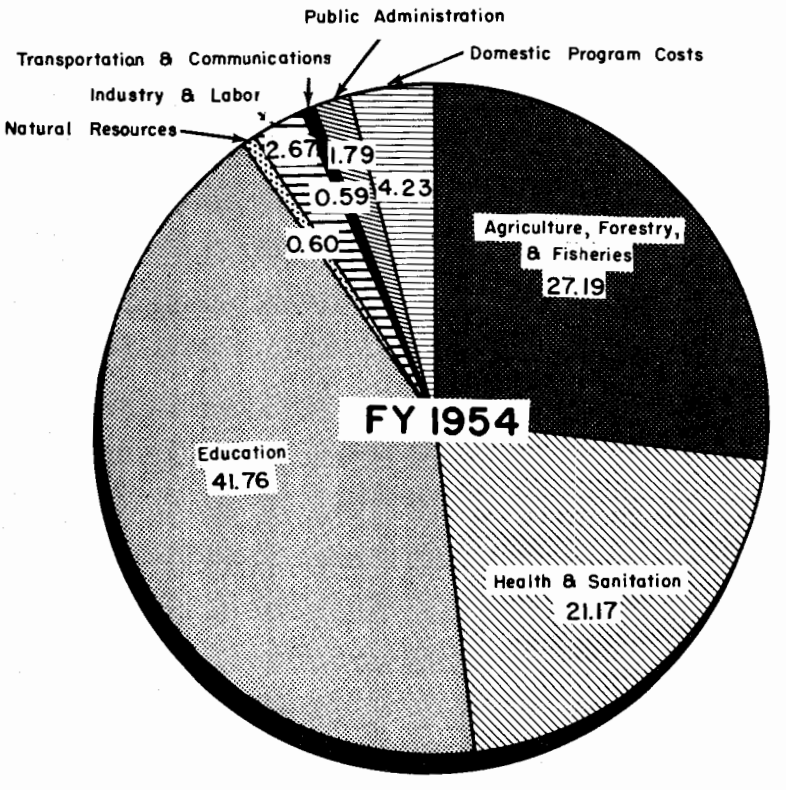
| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 148.6 | 70.7 | 9.8 | 50.0 | 18.1 |
| 115.7 | 45.7 | 13.0 | 50.0 | 7.0 |
| 228.2 | 90.5 | 20.7 | 100.0 | 17.0 |
| 3.3 | - | 3.3 | - | - |
| 14.6 | 7.6 | 3.3 | - | 3.7 |
| 3.2 | - | 3.2 | - | - |
| 9.8 | - | 9.8 | - | - |
| - | - | - | - | - |
| 23.1 | 9.6 | 13.5 | | |
| 546.5 | 224.1 | 76.6 | 200.0 | 45.8 |

## COUNTRY PROGRAM BY COST FACTORS

(Thousands of Dollars)




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# ECUADOR

## GENERAL SITUATION

Ecuador, predominantly agricultural, has a very low per capita income and a standard of living which for many people is at a bare subsistence level. General health conditions are poor, and there is a correspondingly low life expectancy. Housing is seriously inadequate. Educational opportunities for many of the people have been limited. Almost one-third of the population is made up of Indians who do not speak Spanish, the language of most teachers; hence, there is a high rate of illiteracy. The topography is such that highways and railroads are difficult and expensive to build. Aerial transportation is important for bringing the many isolated sections of the country together. Nevertheless, highways will be the chief transportation medium and imperative to fuller economic development.

## PROGRAM OBJECTIVES:

(1) To wage a concerted campaign in all fields in which present conditions tend to depress human initiative and productivity; (2) to assist the masses of Ecuadoran people in their effort to obtain better food and health, better houses, schools, and teachers; and (3) to make the major isolated communities accessible to other parts of the country and to the outside world.

## PROGRESS TO DATE

U. S. technical assistance in Ecuador has made marked progress. The Ecuadoran people and Government have shown themselves to be willing and anxious to cooperate in this joint effort to increase their productivity, and the program has served as a practical means of strengthening ties between Ecuador and the U. S. While no spectacular achievements have been made, the steady improvement in agriculture, health, education, and civil aviation are noteworthy, and a promising beginning has been made in stimulating local textile handicraft industries. Worthy of special mention are the pyrethrum and cacao projects in the field of agriculture, the rural and vocational educational projects, improvements in civil aviation, the malaria and maternity hospitals, and other construction projects in the field of health. Since the beginning of the programs, 145 Ecuadorans have received training in the U. S.

## MAJOR ACTIVITIES IN FISCAL YEAR 1954

Agriculture, Forestry and Fisheries - (1) Improvement of the organization, administration and methods of extension work; (2) development of a program to solve important agricultural production problems, including planning and execution of experiments at the Pichilingue, Portoviejo, Cuenca, Conocoto, Tambilloa and Tumbaco stations on bananas, rice, cocoa, coffee, citrus, wheat, corn, plant insect and disease control, forage and pasture plants, green manure and fertilizer; (3) dairy cattle and sheep production improvements in the highlands and beef cattle improvement in the lowlands; (4) development of disease-resistant and high-yielding cacao varieties at Pichilingue, rice irrigation and production problems in the Guayaquil area and sigatoka disease (banana) control; (5) cooperation with the Guayaquil College of Agriculture and with the vocational agricultural schools in Daule, Ambato, and Latacunga.
Health and Sanitation - (1) Campaigns for the control and prevention of malaria, yaws and all contagious diseases, operation of hospitals, health centers and dispensaries, remodeling of public health laboratory, country-wide health education, training of laboratory technicians, nurses and doctors; (2) construction of water, supply and sewerage systems, surveys and designs for water and sewerage systems; (3) assistance in expediting the flow of essential imports for rehabilitating communities devastated by earthquake.
Education - Establishment of curriculum improvements in content of courses and more effective teacher training in agriculture, home life, health, manual arts and general methods; conduct of summer courses provided for normal school professors and for supervisors and teachers of the demonstration schools.
Natural Resources - Land classification record work and improvement of systems of land tenure.
Industry, Trade and Labor - Improvement of looms, preparation of particular raw materials, spinning, dyeing, weaving, styling, and methods of marketing; stimulation of private investment.
Transportation and Communication - (1) Development of plan for airport improvements at Ambato, Cuenca, and for proposed airports at Machola and Santa Rosa, establishment of National Aviation Code, development of air traffic control and communications; (2) improvement of railway dispatching, accounting and administration methods and procedures.
Training - Awards have been provided for as follows: Agriculture, Forestry and Fisheries, Health and Sanitation, Education, Industry and Labor, Transportation, and Public Administration.

# ECUADOR

| GENERAL | 1951 |
|---|---|
| AREA (1000 sq. mi.) | 106 |
| POPULATION(thousands) | 3,600 |

| PRICE INDEXES | 1938 | 1950 | 1951 |
|---|---|---|---|
| Wholesale (export goods only) (Guayaquil 1948 = 100) | 29(1939) | 129 | 146 |
| Cost of living (Quito 1948= 100) | 26(1939) | 97 | 111 |

| INCOME AND PRODUCTION | 1938 | 1950 | 1951 |
|---|---|---|---|
| Per capita income (dollars) | n.a. | 40(1949) | 45 |

| INTERNATIONAL TRADE (Million Dollars) | 1938 | 1950 | 1952 |
|---|---|---|---|
| Total exports | 9.0 | 63.0 | 76.1 |
| Total imports | 11.0 | 48.0 | 56.5 |
| United States Trade | | | |
| Exports to U.S. | 2.8 | 34.4 | n.a. |
| Imports from U. S. | 3.6 | 27.9 | n.a. |
| Principal Commodity Exports | | | |
| Coffee (1000 metric tons) | 13.7 | 20.2 | n.a. |
| Cocoa beans (1000 metric tons) | 19.1 | 26.8 | n.a. |
| Bananas (1000 metric tons) | 55.5 | 169.6 | n.a. |

UNITED STATES INVESTMENTS IN LATIN AMERICA
(In millions of dollars)

| | 1950 |
|---|---|
| Direct private | 14.2 |
| Direct U.S. Gov't | 3.0 |
| Other | 2.9 |
| Total | 20.1 |

PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53
(Thousand Dollars)

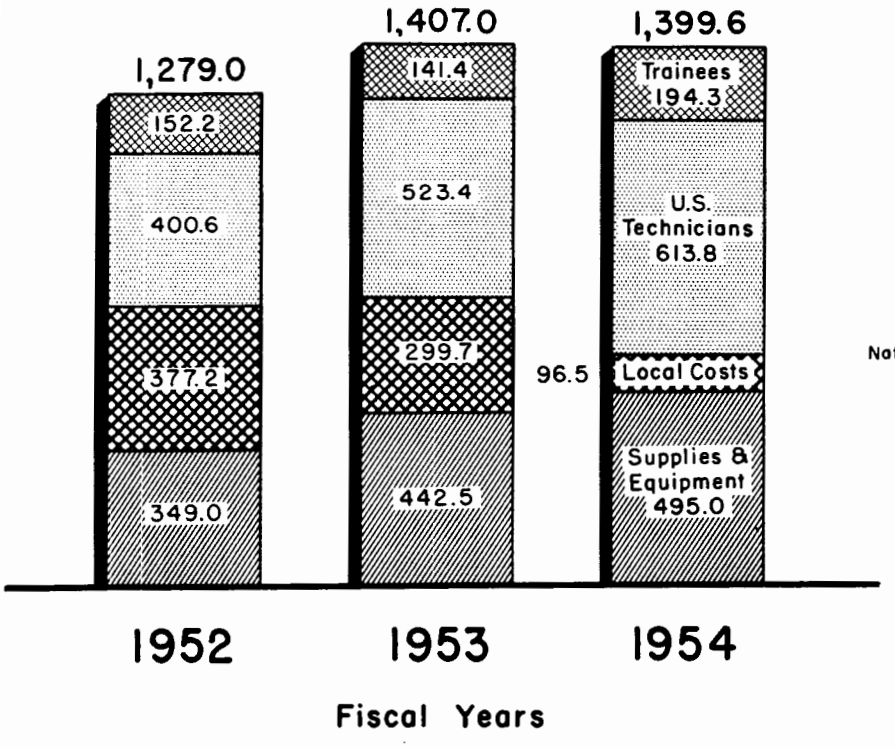
| Major Field of Activity | 1952 | 1953 |
|---|---|---|
| Agric., For., Fisheries | 447.7 | 395.1 |
| Health and Sanitation | 415.0 | 473.4 |
| Education | 248.3 | 286.0 |
| Natural Resources | - | 17.0 |
| Ind. and Labor | 77.4 | 70.6 |
| Transportation | 44.1 | 81.4 |
| Pub. Admin. | 10.8 | 43.9 |
| General Project | - | - |
| Domestic Program Costs | 35.7 | 39.6 |
| Total | 1279.0 | 1407.0 |

DISTRIBUTION OF COSTS FOR FY 1954
(Thousand dollars)

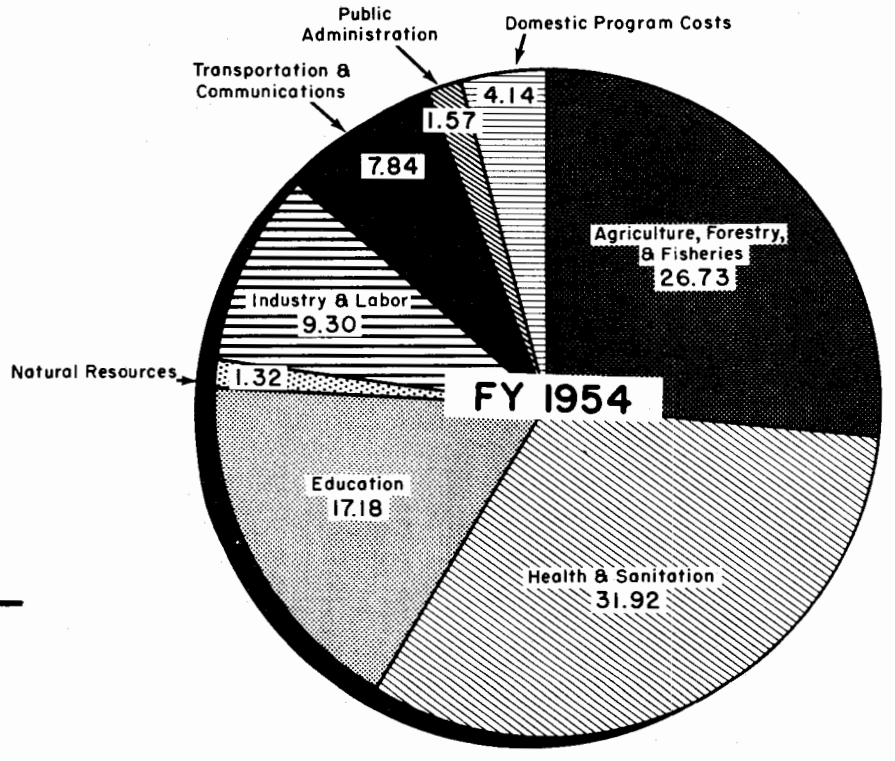
| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 374.1 | 190.5 | 42.5 | 130.0 | 11.1 |
| 446.7 | 162.7 | 29.8 | 215.0 | 39.2 |
| 240.5 | 110.5 | 25.5 | 90.0 | 14.5 |
| 18.5 | 15.5 | - | - | 3.0 |
| 130.1 | 45.5 | 17.1 | 60.0 | 7.5 |
| 109.7 | 55.4 | 38.6 | - | 15.7 |
| 22.0 | 8.0 | 8.5 | - | 5.5 |
| - | - | - | - | - |
| 58.0 | 25.7 | 32.3 | - | - |
| 1399.6 | 613.8 | 194.3 | 495.0 | 96.5 |

## COUNTRY PROGRAM BY COST FACTORS

(Thousands of Dollars)




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# EL SALVADOR

## GENERAL SITUATION

The basic economic problem in El Salvador is to provide economic opportunities for an expanding population in an area already over-populated. As only one-half of the land area can be cultivated, the population density per square mile of arable land is about 500. Poor conservation methods have resulted in exhaustion and erosion of the soil. Modern methods of agricultural production and distribution are needed to provide an adequate food supply. Continued and expanded efforts are needed to stamp out disease and to further health education. Educational facilities and methods are inadequate, particularly in rural areas. Vocational training and industrial and business know-how are necessary to increase economic productivity in this densely populated country.

## PROGRAM OBJECTIVES

1. Increase the agricultural production for local consumption and export; 2. enlarge the supply of locally produced raw materials available for domestic processing; 3. train technical and professional personnel in the basic fields of public health, and to raise the level of personal health practices throughout the country; 4. build up a supply of skilled workman through vocational education; 5. assist the Government of El Salvador in planning and carrying out its policy for economic development and industrialization and to develop sound administrative practices and procedures.

## PROGRESS TO DATE

The major achievement of U. S. technical assistance has been its integration into the life of the country and its acceptance as a positive force toward shaping El Salvador's own development program. U. S. technical assistance programs are carefully designed to exert maximum influence on El Salvadoran agencies to make the best possible use of their own and other available resources. Salvadoran adoption of construction standards, plans, and designs exemplified in technical assistance projects have important implications for enlarged U. S. trade with El Salvador, as well as for the country's technical progress. The success of present efforts to improve the local climate for U. S. private investment will multiply many times the effectiveness of technical assistance, serve to promote trade, and strengthen ties between the two countries.

Prior to FY 1952, 81 Salvadorans completed training in the United States and returned to the country; four of these became under secretaries in ministries of the government, 27 became division chiefs in various ministries, and 14 became professors in the National University.

## MAJOR ACTIVITIES FOR FISCAL YEAR 1954

Agriculture, Forestry and Fisheries: (1) Extension --Assistance in the organization and operation of agricultural extension services. (2) Research -- Development of ways and means of increasing production of coffee, fiber, vegetable and essential oils ; diversifying crops for domestic consumption; insect and disease control. (3) Education -- Assistance in organization and operation of the new Agricultural Vocational School; assistance to the National University and the Santa Ana practical school of agriculture; introduction of an agricultural content into rural and elementary school curriculum. (4) Soil and Water Conservation -- Assistance on problems of irrigation, wind and water erosion and water conservation. (5) Fisheries -- Survey of coastal waters; study of the nature of fish resources and factors controlling their supply.

Health and Sanitation: (1) Medical -- Supervision of construction of health and training facilities; construction and equipment of a 96-bed tuberculosis pavilion and National School of Nursing; renovation and additions to Maternity Hospital; assistance to the Ministry of Health on dietetics and hospital development; reorganization of the National Health Service on a functional basis. (2) Environmental Sanitation - Demonstration, design and construction of water supply and sewerage systems, markets, slaughterhouses. (3) Vital Statistics - Establishment of a system of government vital statistics. (4) Social Welfare - Development of demonstration social service departments.

Education: Vocational - Construction and equipment of new vocational industrial school in San Salvador; development of series of instructional materials; supervision of home economics courses in secondary schools and one of the normal schools; establishment of new vocational agriculture school and collaboration with vocational agriculture school under the Ministers of Education and Agriculture; development of agricultural instruction in secondary schools and one normal school.

Industry, Trade and Labor: (1) Industry - Survey, establishment, and development of new small and medium industries. (2) Labor - Basic research, development of labor standards, and organization of branches of the Ministry of Labor. (3) Assist in encouraging and aiding local interests to find private U.S. capital for industry development and U. S. investors to locate opportunities for investment.

Public Administration: Assistance in general economic development problems and improvement of public administration practices and procedures.

Training: Awards are provided for in the following fields: Agriculture, Forestry, and Fisheries; Health and Sanitation; Education; Industry and Labor; and Public Administration.

# EL SALVADOR

| GENERAL | 1951 |
|---|---|
| AREA (1000 sq. mi.) | 8.1 |
| POPULATION (thousands) | 1,920 |

| PRICE INDEXES | 1938 | 1950 | 1951 |
|---|---|---|---|
| Wholesale (1948 = 100) food only | 36.0 | 136.0 | 144.0 |
| Cost of living (San Salvador 1948 = 100) | 42.0 | 99.0 | n.a. |

| INCOME AND PRODUCTION | 1938 | 1949 | 1950 |
|---|---|---|---|
| Per capita income (dollars) | n.a. | 90 | 163 |

| INTERNATIONAL TRADE (Million Dollars) | 1938 | 1951 | 1952 |
|---|---|---|---|
| Total exports | 10.3 | 84.6 | 87.4 |
| Total imports | 9.2 | 63.8 | n.a. |
| United States trade | | | |
| Exports to United States | 6.2 | 73.7 | n.a. |
| Imports from U.S. | 3.7 | 40.2 | n.a. |
| Principal commodity exports | | | |
| Coffee (1000 metric tons) | 61.4 | 85.6 | n.a. |
| Cotton (1000 metric tons) | | 3.8 | n.a. |
| Sugar (1000 metric tons) | 4.2 | 3.1 | n.a. |

| UNITED STATES INVESTMENTS IN LATIN AMERICA (In millions of dollars) | 1950 |
|---|---|
| Direct private | 18.4 |
| Direct U.S. Gov't | 4.0 |
| Other | 13.0 |
| Total | 35.5 |

PROGRAM COST BY FIELD OF ACTIVITY FY 1952-53
(Thousand dollars)

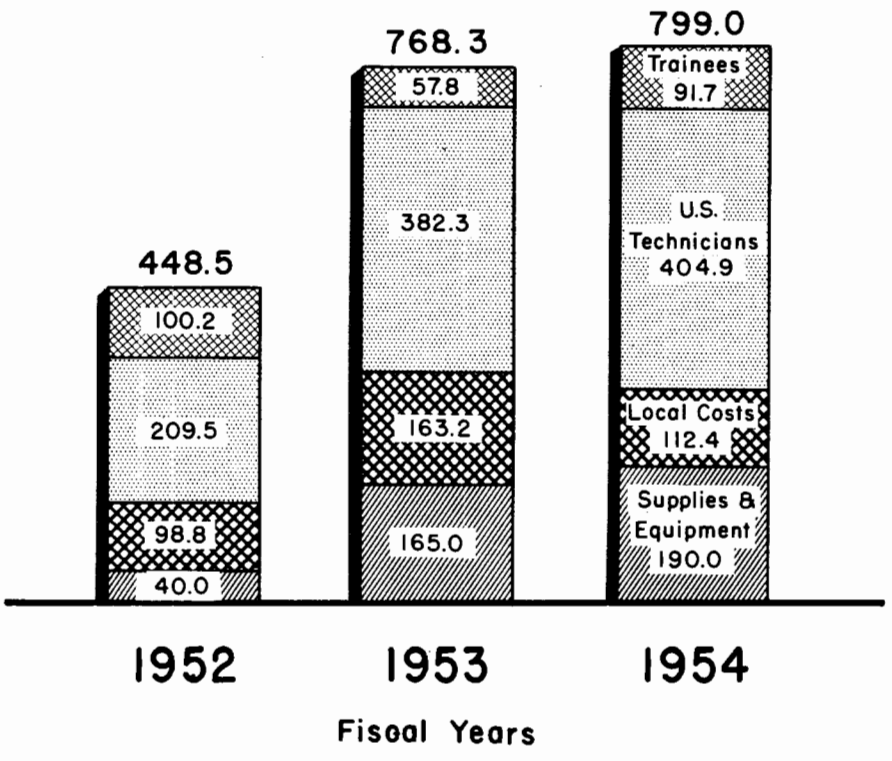
| Major Field of Activity | 1952 | 1953 |
|---|---|---|
| Agric., For., Fisheries | 223.3 | 201.9 |
| Health and Sanitation | 149.0 | 287.2 |
| Education | 29.1 | 55.0 |
| Natural Resources | - | - |
| Ind. and Labor | 3.7 | 186.7 |
| Transportation | - | - |
| Pub. Admin. | 20.5 | 11.5 |
| General Project | - | - |
| Domestic Program Costs | 22.9 | 26.0 |
| Total | 448.5 | 768.3 |

DISTRIBUTION OF COSTS FOR FY 1954
(Thousand dollars)

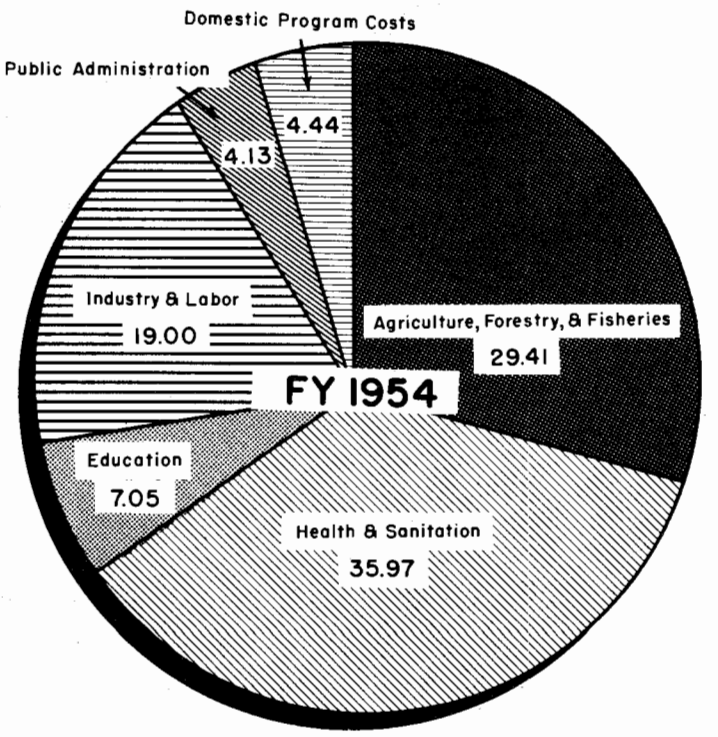
| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 235.0 | 150.1 | 22.3 | - | 62.6 |
| 287.4 | 148.0 | 16.3 | 85.0 | 38.1 |
| 56.3 | 40.2 | 9.8 | - | 6.3 |
| - | - | - | - | - |
| 151.8 | 33.8 | 13.0 | 105.0 | - |
| - | - | - | - | - |
| 33.0 | 14.6 | 13.0 | - | 5.4 |
| - | - | - | - | - |
| 35.5 | 18.2 | 17.3 | - | - |
| 799.0 | 404.9 | 91.7 | 190.0 | 112.4 |

## COUNTRY PROGRAM BY COST FACTORS

(Thousands of Dollars)




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# GUATEMALA

## GENERAL SITUATION

Coffee and bananas provide 90% of Guatemala's exports. Economic diversification is badly needed. Assistance to reduce illiteracy and to improve the well-being of the people by improving and diversifying the food supply is essential. Diseases such as hookworm, syphilis, tuberculosis, dysentery and malaria are prevalent. Infant mortality is high and the average life expectancy is not much over 30 years.

## PROGRAM OBJECTIVES

1. To cooperate with Guatemala in the improvement of its agricultural agencies with resulting increase in quality and production of agricultural commodities for export and domestic consumption.

2. To assist the Ministry of Health of Guatemala in its program to improve the general level of health by increasing its health facilities.

## PROGRESS TO DATE

The small U. S. technical assistance program attacks certain problems that are basic to the country's long-run economic development and improvement. All projects have much local value, with the agriculture and the rubber projects also having regional and international importance, particularly through research and development work on disease-resistant, high-yielding coffee and rubber plants, and on strategic materials. The major impediments to building up a balanced program of technical assistance in Guatemala have been political, and at the present time no expansion of activities is contemplated.

Wheat varieties were introduced yielding four to five times the amount of the average local seed; distribution of these new varieties was made in 1952. Similar accomplishments were made with rice: 50 tons of imported rice seed were distributed in 1952; more than 1200 acres of rice are under cultivation, and Guatemala has a surplus of rice for the first time. Bean, coffee, poultry, and hog production in the country have been increased. Highly valuable, not easily replaceable reserve rubber plantings have been established. After many years of rubber research and experimentation, 2,000 acres have been planted, of which 1,200 contain trees of tapable size, which will produce annual yields of about 425,000 pounds of high-quality rubber. Seed and seedlings were distributed to Guatemalan small farmers in 1952 by assisting the Guatemalan Ministry of Agriculture in procuring seed from Haiti.

In the field of health, the nursing school of the Roosevelt Hospital was completed, and the hospital itself is 70% completed. Assistance in the construction and operation of six health centers, six water supply systems, four sewerage systems, and four permanent malaria-control drainage projects has been completed.

Sixteen trainees have returned from the U. S. under awards granted prior to F. Y. 1952, and all are employed in technical agricultural activities of the Guatemalan Government.

## MAJOR ACTIVITIES FOR FISCAL YEAR 1954

Agriculture, Forestry and Fisheries - (1) Research--Assistance to the National Agricultural and Livestock Institute to improve seed, especially wheat, corn, rice, beans, and potatoes. (2) Extension--Assistance to producers of wheat, rice, beans, coffee, poultry, hogs, and sheep; development of strategically important fibers and other materials, including oil palms, kenaf, ramie, cinchona and abaca. (3) Rubber--Help in development of an accessible source of this strategic item, to produce disease-resistant, high-yielding hevea trees, and to supply an additional cash crop.

Health and Sanitation - Advise in constructing and equipping a 1000-bed hospital.

Training - Two trainees are completing work in the U. S. at agricultural colleges under the pre-1952 training program. No training programs were approved for the F. Y. 1952 and 1953 programs.

# GUATEMALA

| GENERAL | 1951 |
|---|---|
| AREA (1,000 sq. miles) | 42 |
| POPULATION (Thousands) | 2,887 |

| PRICE INDEXES | 1938 | 1950 | 1951 |
|---|---|---|---|
| Wholesale 1948=100 | n.a. | 107 | 113 |
| Cost of Living | 46 (1937) | 116 | 120 |
| Guatemala City (1948 = 100) food only | | | |

| INCOME AND PRODUCTION | 1938 | FY 1949 | 1951 |
|---|---|---|---|
| Per Capita Income (Dollars) | n.a. | 80 | 130 |

| INTERNATIONAL TRADE (Million Dollars) | 1938 | 1951 | 1952 |
|---|---|---|---|
| Total Exports | 18.0 | 76.0 | 87.5 |
| Total Imports | 21.0 | 81.0 | 75.7 |
| United States Trade | | | |
| Exports to United States | 12.4 | 66.9 | n.a. |
| Imports from United States | 9.5 | 54.3 | n.a. |
| Principal Commodity Exports | | | |
| Bananas (1000 bunches) | 9,502 | 4,697 | n.a. |
| Coffee (1000 metric tons) | 49.0 | 54.5 | n.a. |
| Chicle (metric tons) | 777.0 | 1,350.0 | n.a. |

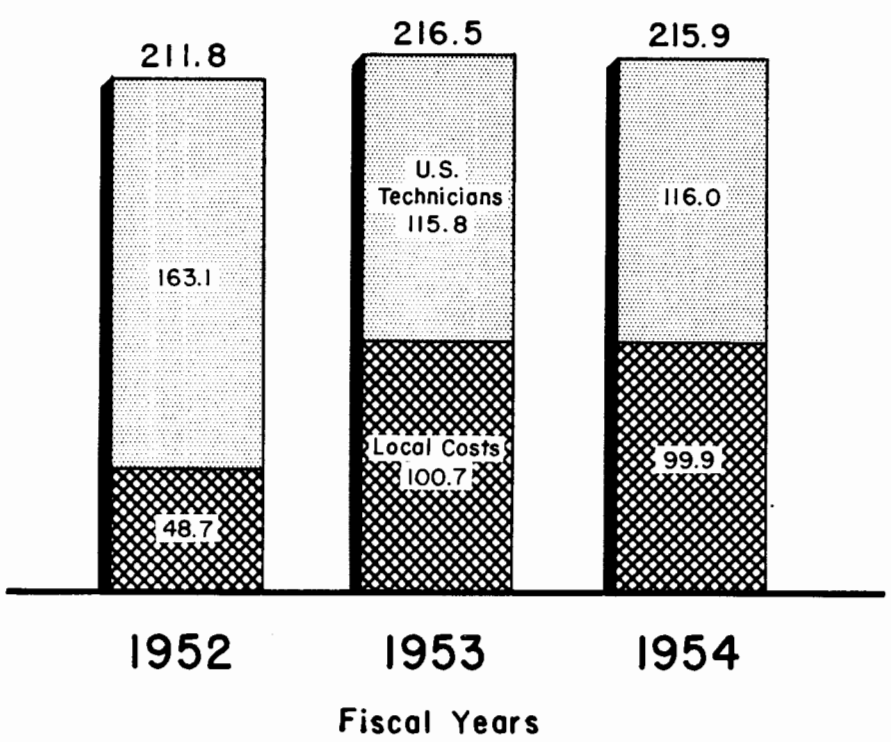
| UNITED STATES INVESTMENTS IN LATIN AMERICA (In millions of dollars) | 1950 |
|---|---|
| Direct Private | 105.9 |
| Direct U.S. Government | 23.0 |
| Other | 8.2 |
| Total | 137.1 |

| PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53 (Thousand Dollars) | 1952 | 1953 |
|---|---|---|
| Agri., For., Fisheries | 137.4 | 151.4 |
| Health and San. | 67.4 | 60.0 |
| Domestic Program Costs | 7.0 | 5.1 |
| Total | 211.8 | 216.5 |

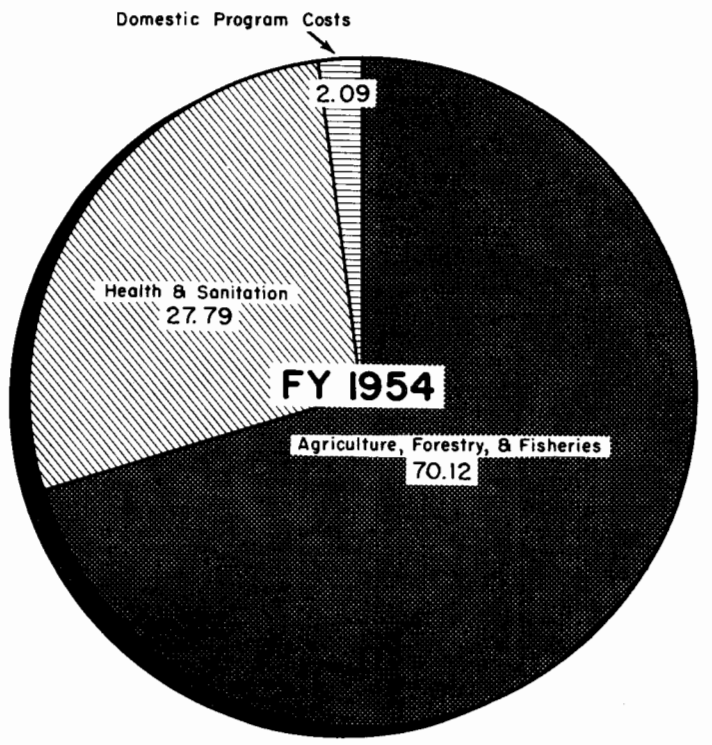
| DISTRIBUTION OF COSTS FOR FY 1954 (Thousand Dollars) | | | | |
|---|---|---|---|---|
| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
| 151.4 | 85.0 | .. | .. | 66.4 |
| 60.0 | 26.5 | .. | .. | 33.5 |
| 4.5 | 4.5 | .. | .. | .. |
| 215.9 | 116.0 | | | 99.9 |

## COUNTRY PROGRAM BY COST FACTORS

(Thousands of Dollars)




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# HAITI

## GENERAL SITUATION

Haiti, without proven natural resources on any scale, must base its economy on the development of agriculture and related activities. Important needs are for modern practices, extension of irrigation, and greater utilization of land. Land rehabilitation and increased food production are probably more necessary than in any other American republic. Extreme pressure of population has already stripped the steep slopes of most of their forest cover, and the use of wood for charcoal and uncontrolled burning and overgrazing have further aggravated the serious soil erosion problem. Among the factors tending to keep small farmers in constant poverty are lack of adequately trained Haitian technicians, impoverished soil, poor roads, inadequate transportation, lack of marketing and processing facilities, lack of proper land surveys and registration of titles, and high agricultural credit interest rates. Lack of opportunities for vocational training and common school education are great handicaps as the nation strives for a more efficient agriculture, the development of new industries, and better health for the people. The prevalence of tuberculosis, malaria, yaws, syphilis, parasitic infections, malnutrition, and anemia constitute major health problems. The lack of an adequate program of preventive medicine, shortage of water, lack of basic sanitary facilities and the poverty of the people are further obstacles to progress.

## PROGRAM OBJECTIVES

1. To assist the Haitian Government in increasing food supplies and raising the standard of living through development of new agricultural lands by irrigation and reclamation projects, and in improving agriculture by the introduction of advanced methods through an extension service.

2. To assist the Ministry of Health of Haiti in its program to improve the general level of health.

3. To assist the Government of Haiti in developing its small industry program and in improving the design, production, and marketability of its handicrafts; to assist in encouraging increased private investment of U. S. and local capital in industry development.

4. To assist the Government of Haiti in improving its administrative functions.

## PROGRESS TO DATE

Up to the present, U. S. technical assistance in Haiti has concentrated on agriculture and health. U. S. technical cooperation has demonstrated how the most pressing problems in agriculture and health can be met in Haiti, and has given the Haitians practical examples of how their staggering problems can be attacked. An outstanding example is the pilot project of land reclamation in the Artibonite Valley which served as the basis and practical model for the large scale Artibonite Valley reclamation project. Health work has concentrated largely on disease control, water and sewerage systems, and nursing education. Assistance in setting up modern social insurance and census systems has also been given. Seventy trainees had returned to Haiti by December 31, 1952.

## MAJOR ACTIVITIES IN FY 1954

Agriculture, Forestry and Fisheries. Assist in operating a system of extension field offices and extension projects; operate a rubber research and development experiment station; assist in plans for irrigation and land reclamation development; help in reforestation activities.

Health and Sanitation. Transform previous yaws control clinics into Public Health Centers and general treatment clinics; assist in continuing development of water supply systems; continue assistance on nursing education; advise on improving vital statistics and social insurance systems.

Industry, Trade and Labor. Assist in the survey of industrial needs and introduction of improved handicraft techniques; assist in encouraging and aiding local interests to find private U. S. capital for industry development and in aiding U. S. investors to locate opportunities for investment.

Public Administration. Advise on customs and tariff administration reform; assist in improvement of general public administrative practices.

Training. Training Grants are provided for in each of these major substantive fields.

# HAITI

| GENERAL | 1951 |
|---|---|
| AREA (1000 sq. mi.) | 11 |
| POPULATION (thousands) | 3,750 |

| INCOME AND PRODUCTION | 1951 |
|---|---|
| Per Capita Income (dollars) | 48 |

INTERNATIONAL TRADE
(Million dollars)

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Total exports | 7.0 | 51.0 | n.a. |
| Total imports | 8.0 | 44.0 | n.a. |
| United States trade | | | |
| Exports to U.S. | 3.0 | 32.7 | n.a. |
| Imports from U.S. | 4.3 | 28.2 | n.a. |
| Principal commodity exports | | | |
| Bananas (1000 stems) | 1363.0 | 1335.0 | n.a. |
| Coffee (1000 metric tons) | 25.1 | 27.9 | n.a. |
| Sugar (1000 metric tons) | 34.4 | 37.8 | n.a. |

UNITED STATES INVESTMENTS IN LATIN AMERICA
(In millions of dollars)

| | 1950 |
|---|---|
| Direct private | 12.7 |
| Direct U.S. Gov't | 3.0 |
| Other | 2.6 |
| Total | 18.3 |

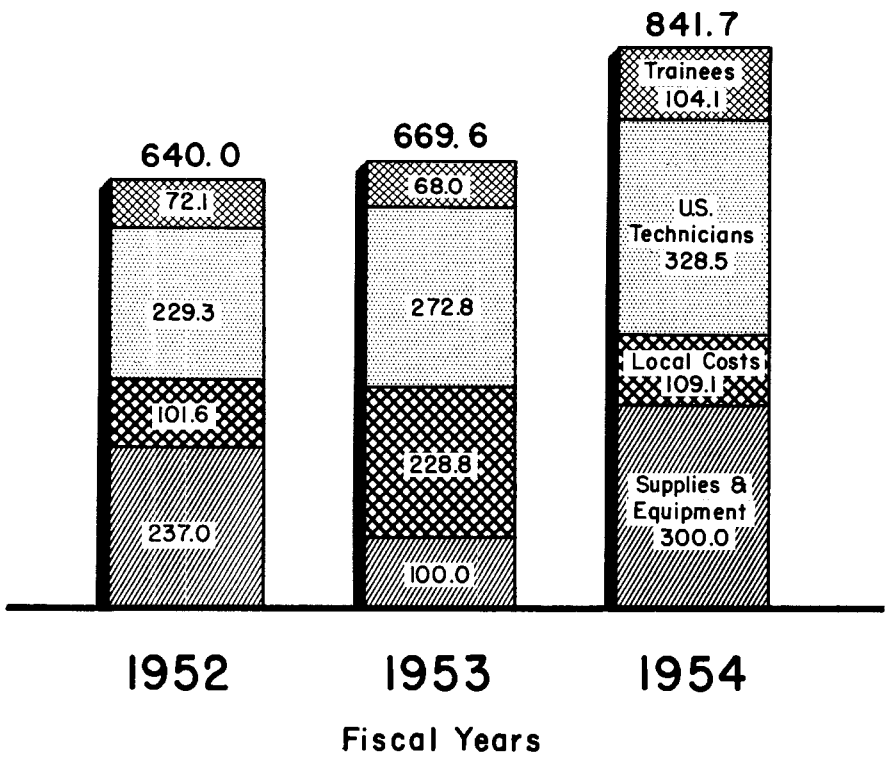
PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53
(Thousands of Dollars)

| Major Field of Activity | 1952 | 1953 |
|---|---|---|
| Agric., For., Fisheries | 320.0 | 395.0 |
| Health and Sanitation | 279.4 | 216.3 |
| Education | - | - |
| Natural Resources | - | - |
| Ind. and Labor | - | -9.7 |
| Transportation | - | - |
| Pub. Admin. | 21.7 | 25.9 |
| General Project | - | - |
| Domestic Program Costs | 18.9 | 22.7 |
| Total | 640.0 | 669.6 |

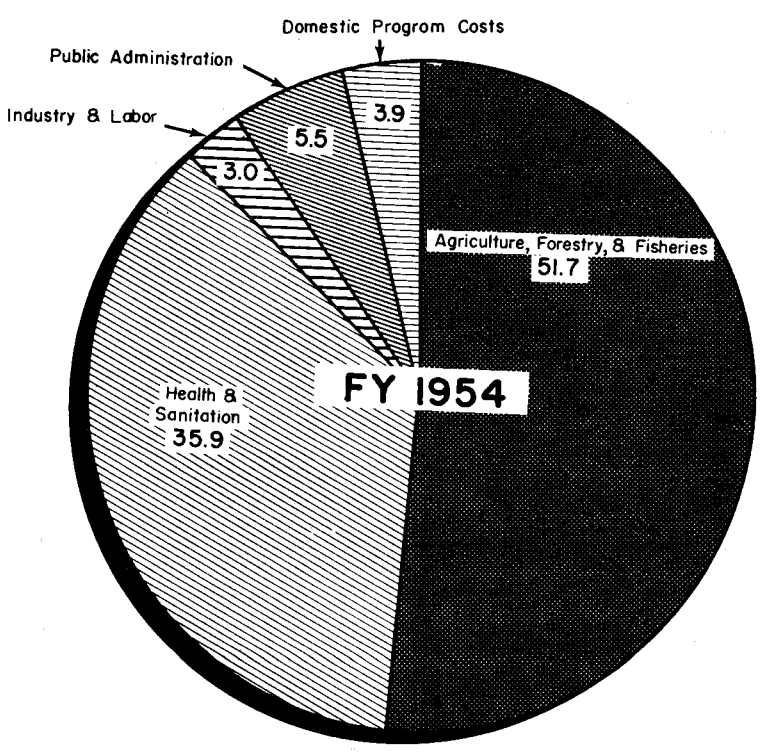
DISTRIBUTION OF COSTS FOR FY 1954
(Thousand dollars)

| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 435.0 | 183.0 | 26.0 | 150.0 | 76.0 |
| 302.5 | 97.9 | 29.3 | 150.0 | 25.3 |
| - | - | - | - | - |
| - | - | - | - | - |
| 24.8 | 11.0 | 12.8 | - | 1.0 |
| - | - | - | - | - |
| 46.3 | 23.0 | 16.5 | - | 6.8 |
| - | - | - | - | - |
| 33.1 | 13.6 | 19.5 | - | - |
| 841.7 | 328.5 | 104.1 | 300.0 | 109.1 |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# HONDURAS

## GENERAL SITUATION

The Honduran economy is based almost entirely on agriculture. Except for the banana producing areas along the north coast, Honduran agriculture is handicapped by primitive methods, crop and livestock diseases and pests, destructive soil practices, inadequate marketing facilities, poor seeds, inadequate equipment, and, above all, lack of essential know-how. Also needed is the development and restoration of forests, the promotion of forest industries, and prevention of forest fires. In Honduras the rate of illiteracy is high; in rural areas school attendance rarely goes beyond the third grade, and rural teachers have had only one or two years more schooling than their pupils and no training in methods of teaching. The U.S. Education Program has received widespread approval in the country for its attack on these problems through pre-service and in-service teacher training programs. Health and sanitation work is required to improve living conditions, expand medical facilities and solve health problems. Control of malaria and intestinal diseases will increase the efficiency and productivity of the people. More roads and improved aviation facilities are needed for the development of industry.

## PROGRAM OBJECTIVES

1. To join with the Honduran Government in aiding its newly formed Ministry of Agriculture to preserve and more effectively utilize its natural resources for the betterment of the health of its people and the strengthening of its economy.
2. To assist the Ministry of Health in its program to improve the general level of health.
3. To establish modern vocational agriculture on the secondary school level, to set up model rural normal schools, to develop elementary demonstration schools, to provide improved supervisory practices; and to prepare teaching materials for the improvement of rural education in Honduras.
4. To assist the Government of Honduras in the organization and operation of its labor program; to assist in increased private investment of U.S. and local capital in industrial development.
5. To assist the Government of Honduras in the development of its transportation facilities in the fields of civil aviation and public roads.
6. To assist the Government of Honduras in the administration, organization, and operation of its statistical systems.

## PROGRESS TO DATE

Important achievements have been made in agricultural extension, soil and water conservation, forestry activities, preventive medicine and construction of preventive medical facilities, construction of water supply and sewerage systems, elementary and vocational education, improvement of civil aviation and public roads facilities, and organization and development of a census and statistical organization. As of March 2, 1953, information is available on thirty-one trainees who have returned to Honduras since 1943. U.S. technical assistance is regarded by the Honduran Government and people as an important aid to the development of the Honduran economy. The Government's development program has been built around the U.S. technical assistance activities. Honduras has been paying a large share of the cost of the program. Contributions "over agreement" are frequently received by the Servicios, and the expression "we'll pay for it if you'll just help us do it" is commonly heard by U.S. Technicians.

## MAJOR ACTIVITIES IN FISCAL YEAR 1954

Agriculture, Forestry and Fisheries - (1) Extension activities, (2) rehabilitation of national agricultural centers, (3) organization and operation of grasshopper control measures, (4) livestock improvement, (5) soil and water conservation, (6) forest conservation and fire control.

Health and Sanitation - Assist in operation of National Tuberculosis Sanatorium, in malaria control, in intensified vaccination program, in construction of water supply and sewerage systems, and in health education activities.

Education - Continuation of assistance in elementary, rural and vocational education, concentrating on teacher training and demonstration of better teaching methods and materials construction.

Industry, Trade and Labor - (1) Assist in establishing a labor services and standards department within the government, (2) assistance in encouraging and aiding local interest to find private U.S. capital for industrial development and in aiding U.S. investors to locate opportunities for investment.

Transportation and Communications - (1) Assist in developing and carrying out plans for the improvement of civil aviation facilities, (2) advise on road construction and maintenance.

Public Administration - Continue to assist in the development and operation of the recently established government census and statistical organization.

Training - Training grants are provided for in all the aforementioned major program fields for FY 1954 and also in the field of Natural Resources.

# HONDURAS

| GENERAL | 1951 |
|---|---|
| AREA (1000 sq. mi.) | 59 |
| POPULATION (thousands) | 1,800 |

| PRICE INDEXES | 1939 | 1950 | 1951 |
|---|---|---|---|
| Cost of living (Tegucigalpa 1948 = 100) food prices only | 35.0 | 105.0 | 132.0 |

| INCOME AND PRODUCTION | 1938 | 1950 | 1951 |
|---|---|---|---|
| Per capita income (dollars) | n.a. | 80(1949) | 128 |

INTERNATIONAL TRADE
(Million Dollars)

| | 1938 | 1951 |
|---|---|---|
| Total exports | 10.8 | 77.6 |
| Total imports | 10.3 | 39.4 |
| United States trade | | |
| Exports to U.S. | 9.7 | 56.6 |
| Imports from U.S. | 6.0 | 28.8 |
| Principal commodity exports | | |
| Bananas (1000 stems) | 12,537.0 | 12,727.0 |
| Coffee (metric tons) | 1,920.0 | 6,739.0 |

UNITED STATES INVESTMENTS IN LATIN AMERICA
(In millions of dollars)

| | 1950 |
|---|---|
| Direct private | 61.9 |
| Direct U.S. Gov't | 13.0 |
| Other | 1.8 |
| Total | 76.7 |

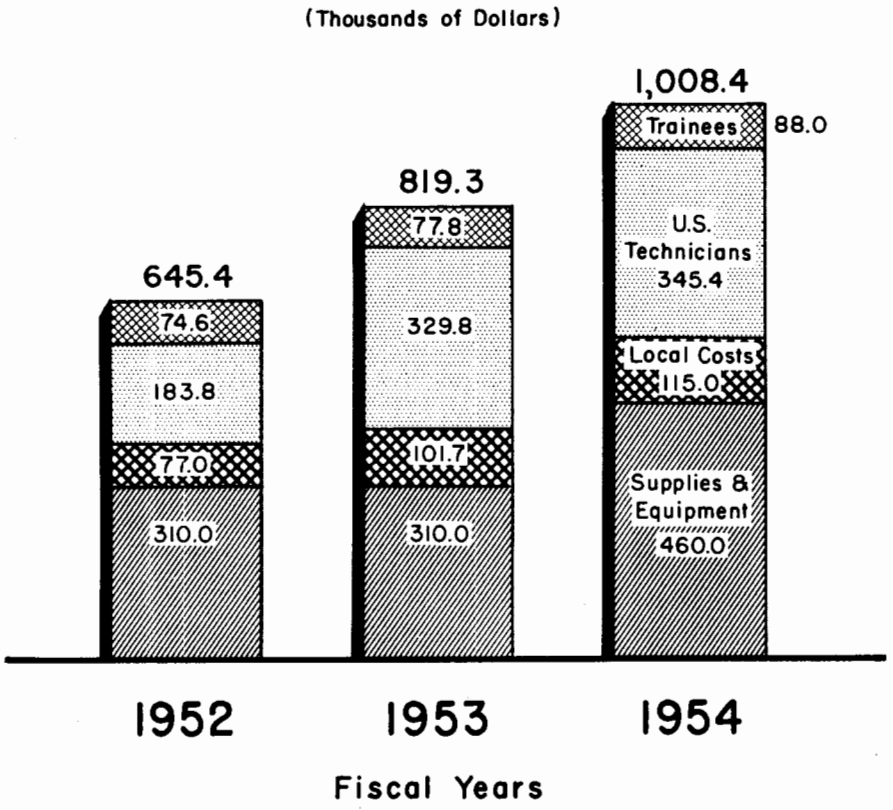
PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53
(Thousand dollars)

| Major Field of Activity | 1952 | 1953 |
|---|---|---|
| Agric., For., Fisheries | 282.7 | 291.3 |
| Health and Sanitation | 158.9 | 189.9 |
| Education | 132.5 | 183.3 |
| Natural Resources | - | 10.5 |
| Ind. and Labor | - | 24.6 |
| Transportation | 18.1 | 71.2 |
| Pub. Admin. | 35.1 | 22.3 |
| General Project | - | - |
| Domestic Program Costs | 19.0 | 26.2 |
| Total | 645.4 | 819.3 |

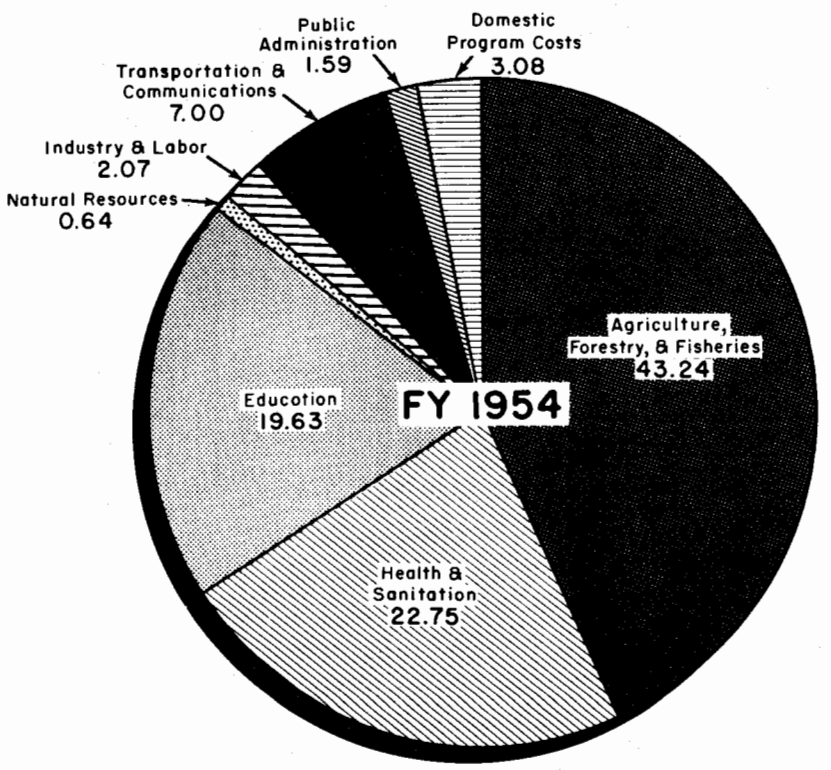
DISTRIBUTION OF COSTS FOR FY 1954
(Thousand dollars)

| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 436.0 | 119.0 | 13.0 | 260.0 | 44.0 |
| 229.4 | 55.4 | 13.0 | 130.0 | 31.0 |
| 197.9 | 91.4 | 13.0 | 70.0 | 23.5 |
| 6.5 | - | 6.5 | - | - |
| 20.9 | 10.4 | 6.5 | - | 4.0 |
| 70.6 | 47.1 | 13.0 | - | 10.5 |
| 16.0 | 7.5 | 6.5 | - | 2.0 |
| - | - | - | - | - |
| 31.1 | 14.6 | 16.5 | - | - |
| 1008.4 | 345.4 | 88.0 | 460.0 | 115.0 |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# MEXICO

## GENERAL SITUATION

Mexico's participation in world trade is devoted primarily to the export of raw cotton and cotton textiles, minerals, petroleum products, coffee, and seafood products. Further development of these resources will enable the country to obtain the foreign exchange required for purchase of new mining machinery and machinery for the mechanization of agriculture. The nation is not yet producing enough food for an adequate diet for its population. Endowed with a large but untrained supply of labor for agricultural and industrial expansion, it will be necessary to continue soil conservation, extension and educational programs to take proper advantage of its human resources. It is estimated that an additional 17 million acres of land should be placed under cultivation to supply the nation's needs. Although a marked advance in industrial development has taken place, much remains to be done. Transportation and communications are inadequate and need to be expanded for economic growth and development. The health and welfare of the people depend on continued programs to improve water supplies and sanitation.

## PROGRAM OBJECTIVES

1. Expand and diversify agricultural production beyond the present emphasis on rubber and fisheries;
2. Improve the general level of health and health facilities, and to provide demonstration projects in vocational rehabilitation and housing; 3. Establish a pilot vocational industrial school in accordance with advanced standards in vocational industrial education; 4. Assist in geological surveys and to develop mineral resources; 5. Develop medium and small industry through the development of new products and manufacturing processes; 6. Introduce needed industrial safety measures into existing industries and to stimulate private investment; 7. Maintain and obtain full utilization of road transportation equipment; 8. Implement the Government's announced plan for the improvement and reform of its public administration.

## PROGRESS TO DATE

The overall effect of U.S. technical assistance to date has been particularly marked in the areas of minerals, health, fisheries, rubber and training activities. Significant contributions have been made to the training of personnel in these fields, as well as in agriculture. As of December 31, 1952, 86 Mexicans had terminated their training in the United States and returned to Mexico, 67 of whom are employed in the Mexican Government. It should be pointed out also that public health activities carried on in cooperation with the Mexican Government along the major highways from the United States and south to Guatemala have been a major contribution to the safe movement of commerce and to tourism. The success of the technical assistance programs underway in Mexico is leading the Mexican Government to a fuller appreciation and understanding of its value.

## MAJOR ACTIVITIES IN FISCAL YEAR 1954

Agriculture, Forestry and Fisheries - (1) Extension and a Servicio development program to increase production of foodstuff for local consumption. (2) Rubber research and development of disease-resistant types of hevea rubber trees. (3) Development of fisheries for commercial and local consumption.
Health and Sanitation - (1) Medical: Operation of health centers, preventive medicine, health education, child health and control of communicable diseases. (2) Environmental Sanitation: Construction of public water supply and sewerage systems. (3) Nursing: Development of public health nursing centers. (4) Vocational Rehabilitation: Construction of facilities to restore disabled persons to usefulness. (5) Housing: Low-cost housing development plans. (6) Industrial Hygiene: Development of program of industrial hygiene.
Education - Vocational: Assistance in establishment of vocational school for mechanics and operators for road building program.
Natural Resources - Geological and mineral surveys and development, including intensive exploration with Mexican geologists to discover new mineral deposits and possibilities, and development of mining operation and metallurgy techniques.
Industry, Trade and Labor - (1) Industrial Development: Assistance to the Mexican Institute of Technological Research, through a contract with the Armour Research Foundation in industry designed to train Mexicans in developing new commercial products and techniques for production on a commercial scale. (2) Industrial Safety: Develop and implement an industrial safety program. (3) Development of a detailed plan for technical assistance to Mexican industrial plants in industrial engineering and management. (4) Private Investment: Stimulation of private investors in Mexico.
Transportation and Communications - Roads and Highways: Initiation and operation of a school to train operators and mechanics in operation and maintenance of highway transportation and maintenance equipment.
Public Administration - Implementation of plan for the improvement and reform of public administration, and assistance to the Health Servicio in general on administrative problems.
Training - Awards are provided for in the following fields: Agriculture, Forestry and Fisheries, Health and Sanitation, Education, Natural Resources. Industry and Labor, Transportation and Public Administration.

# MEXICO

| GENERAL | 1951 |
|---|---|
| AREA (1000 sq. mi.) | 760 |
| POPULATION (thousands) | 26,332 |

| PRICE INDEXES | 1938 | 1950 | 1951 |
|---|---|---|---|
| Wholesale (Mexico City 1948=100) | 38 | 120 | 148 |
| Cost of Living Mexico City 1948=100) | 31 | 112 | 126 |

| INCOME AND PRODUCTION | 1950/51 |
|---|---|
| Per Capita Income (dollars) | 166 |
| Agricultural Production Index (1935-39=100) | 155 |

PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53
(Thousand dollars)

| Major Field of Activity | 1952 | 1953 |
|---|---|---|
| Agric., For., Fisheries | 141.2 | 130.5 |
| Health and Sanitation | 305.5 | 333.9 |
| Education | 3.0 | -- |
| Nat. Resources | 193.2 | 180.9 |
| Ind. & Labor | -- | 62.2 |
| Transportation | -- | 42.5 |
| Pub. Admin. | 50.7 | 31.3 |
| General Project | -- | -- |
| Domestic Program Costs | 35.6 | 43.8 |
| TOTAL | 729.2 | 825.1 |

INTERNATIONAL TRADE
(Million Dollars)

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Total Exports | 147.0 | 572.0 | 434.8 |
| Total Imports | 114.0 | 823.0 | 552.8 |
| United States Trade | | | |
| Exports to U.S. | 98.5 | 400.4 | NA |
| Imports from U.S. | 66.1 | 666.6 | NA |
| Principal Commodity Exports | | | |
| Leadbars (1000 metric tons) | 205.8 | 178.4 | NA |
| Petroleum crude (1000 cu. met.) | 470.0 | 1141.0 | NA |
| Cotton, raw (1000 metric tons) | 22.1 | 178.0 | NA |

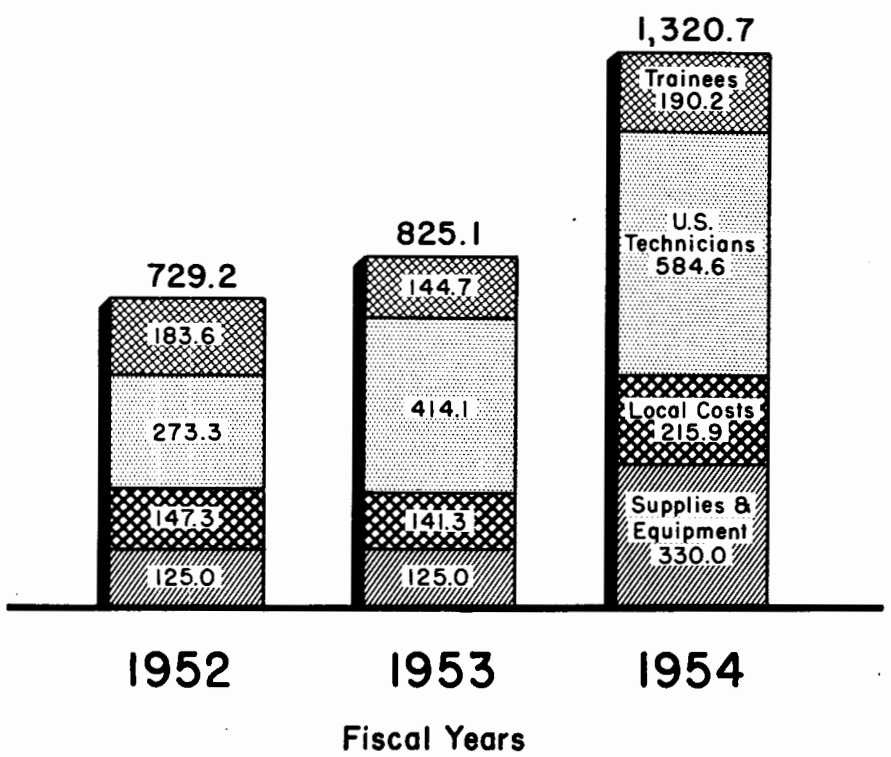
UNITED STATES INVESTMENTS IN LATIN AMERICA
(In million of dollars)

| | |
|---|---|
| Direct Private | 398.6 |
| Direct U.S. Government | 85.0 |
| Other | 210.4 |
| Total | 694.0 |

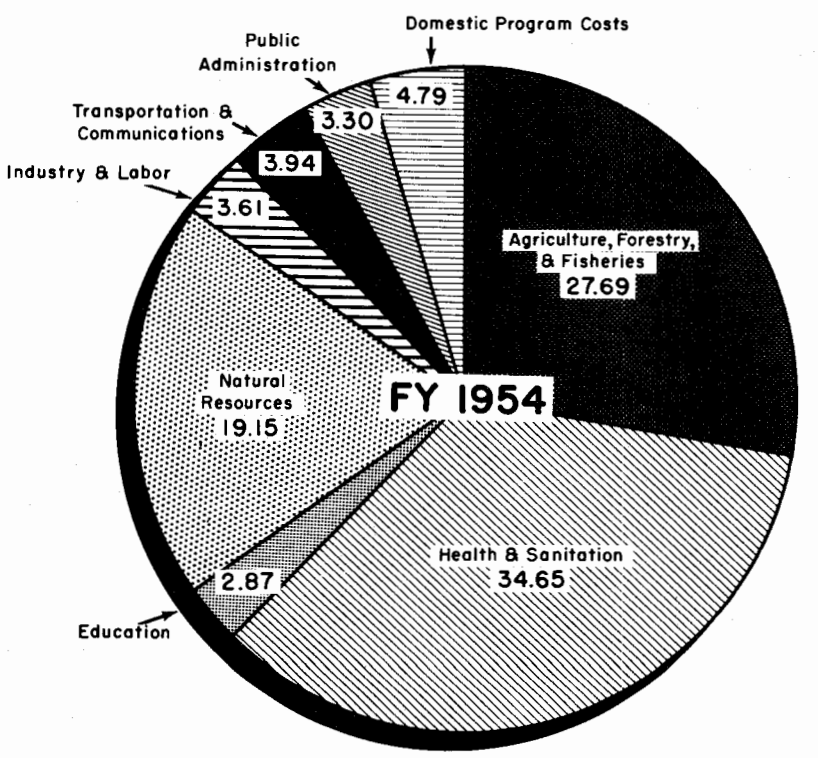
DISTRIBUTION OF COSTS FOR FY 1954
(thousand dollars)

| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 365.7 | 160.7 | 24.0 | 145.0 | 36.0 |
| 457.6 | 193.0 | 32.6 | 185.0 | 47.0 |
| 37.9 | 10.2 | 24.0 | -- | 3.7 |
| 252.9 | 155.9 | 12.0 | -- | 85.0 |
| 47.7 | 15.3 | 24.0 | -- | 8.4 |
| 52.0 | 10.0 | 12.0 | -- | 30.0 |
| 43.6 | 13.8 | 24.0 | -- | 5.8 |
| -- | -- | -- | -- | -- |
| 63.3 | 25.7 | 37.6 | -- | -- |
| 1320.7 | 584.6 | 190.2 | 330.0 | 215.9 |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# NICARAGUA

## GENERAL SITUATION

The Nicaraguan economy is seriously handicapped by the lack of development of agricultural, industrial, and natural resources. Poor health and illiteracy of the people have contributed materially to lowering the workers' productivity. Immediate needs are for better educational programs, particularly in rural areas and in the trades; for improved sanitation and health conditions; and to improve agricultural practices and aid in development of the country's hydro-electric power resources. Improvement of transportation, industry, and administration and statistical services would be of benefit.

## PROGRAM OBJECTIVES

1. To cooperate with and assist the Ministry of Agriculture to improve its agricultural extension service, research programs, and educational facilities, in order to increase quality and production of agricultural commodities for domestic consumption and export.

2. To assist the Ministry of Health in its program to improve the level of health through better environmental sanitation, housing development, health education and nursing training.

3. To help to establish a system of vocational-industrial education, through organization of a national trade school in Managua; to develop a system of industrial arts and homemaking education in the major centers of Nicaragua; to help in the reorganization of the rural elementary school system through development of a pilot school for the training of rural elementary teachers, through in-service training, and through a revision of the rural school curriculum.

4. To assist the Nicaraguan Government in making studies of water resources for irrigation and hydro-electric power development.

5. To assist in improving government census and other statistical services.

## PROGESS TO DATE

Principal effects of U. S. technical assistance in agricultural production have been an increase of agricultural "know-how" through reorganization of the National School of Agriculture, control of plant and animal insect diseases, expanded extension activities, improvement of coffee yields, and development of agricultural processing industries. The health program has contributed to the improvement of water supplies, sewage disposal, hospital facilities, and the training of public health personnel. The education program, which began in May 1951, has developed vocational education. The national trade school is under construction and will furnish complete facilities and equipment for training skilled workmen in selected basic trades. Industrial Arts instruction in the pre-vocational industrial arts centers is well underway. The project for rural elementary education is developing. Nineteen Nicaraguans trained under the program, as of December 31, 1952, had returned to Nicaragua.

## MAJOR ACTIVITIES FOR FISCAL YEAR 1954

Agriculture, Forestry, and Fisheries - Continued assistance to the country's three agricultural research and experiment stations to improve and develop crop and livestock production; continued assistance in the expansion and operation of the Nicaraguan Government's extension service; continuation of assistance in agricultural education at the Nicaraguan Government School of Vocational Agriculture.
Health and Sanitation - Continuation of advisory services of a hospital administrator in the operation of the 600-bed General Hospital; health and nursing education; assistance in developing water supply and sewerage systems; advice on city planning and on building and plumbing codes for the capital city of Managua.
Education - Continuation of vocational education program including training of teachers and help in equipping of National Trades School in Managua; continuation of rural education activities, including opening of new rural normal school for teacher training, developing new rural school curriculum and instructional materials in agriculture, household arts, hygiene, and simple manual skills and further in-service education of teachers.
Natural Resources - Irrigation and power development plans include surveys of potential hydro-electric power sites, assistance in planning aerial photography, supervising collection of streamflow rainfall data.
Public Administration - Training of Nicaraguans in agricultural census work.
Training - Training grants are provided for in all the program categories mentioned above except Natural Resources.

# NICARAGUA

| GENERAL | 1951 |
|---|---|
| AREA (1000 sq. miles) | 58 |
| POPULATION (1000) | 1,206 |

| PRICE INDEXES | 1938 | 1950 | 1951 |
|---|---|---|---|
| Wholesale (Managua 1948 = 100) | 29(1939) | 116.0 | 147.0 |
| Cost of living (Managua 1948 = 100) | 19.0 | 114.0 | 136.0 |

| INCOME AND PRODUCTION | 1938 | 1950 | 1951 |
|---|---|---|---|
| Per capita income (Dollars) | n.a. | 90(1949) | n.a. |

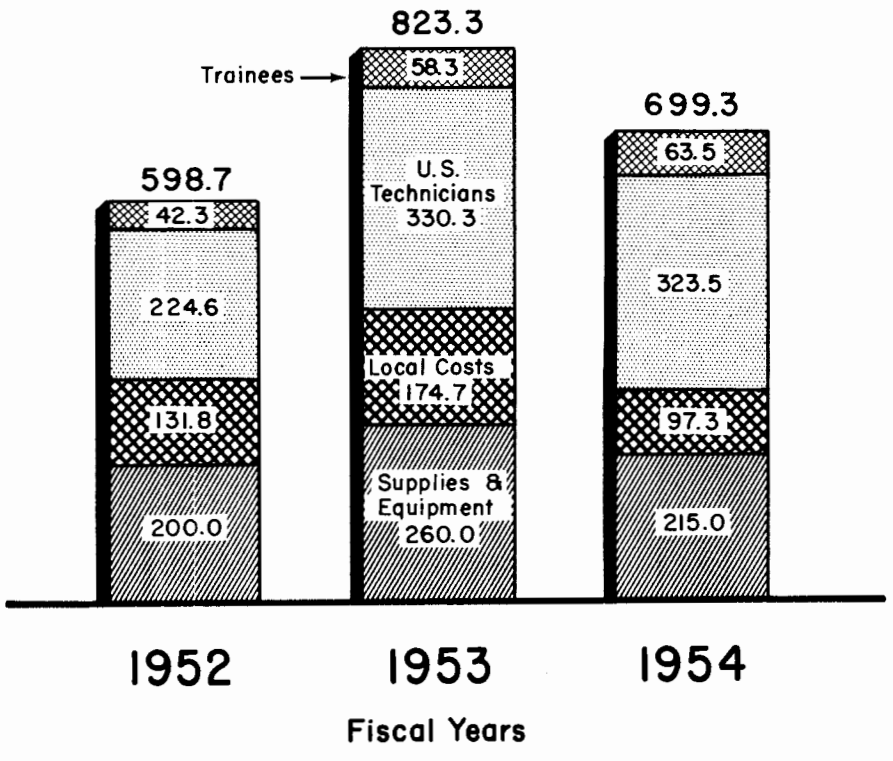
| INTERNATIONAL TRADE (Million dollars) | 1938 | 1951 | 1952 |
|---|---|---|---|
| Total exports | 4.3 | 36.7 | 42.2 |
| Total imports | 5.1 | 34.0 | 39.7 |
| United States trade | | | |
| Exports to U.S. | 2.1 | 20.5 | n.a. |
| Imports to U.S. | 2.8 | 21.5 | n.a. |
| Principal Commodity Exports | | | |
| Gold (Troy ounces) 000's | 44.0 | 250.5 | n.a. |
| Coffee (1000 metric tons) | 14.3 | 15.7 | n.a. |
| Rice (1000 metric tons) | 14.0 | 8.3 | n.a. |

| UNITED STATES INVESTMENTS IN LATIN AMERICA (In millions of dollars) | 1950 |
|---|---|
| Direct private | 9.0 |
| Direct U.S. Gov't | 2.0 |
| Other | 9.7 |
| Total | 20.7 |

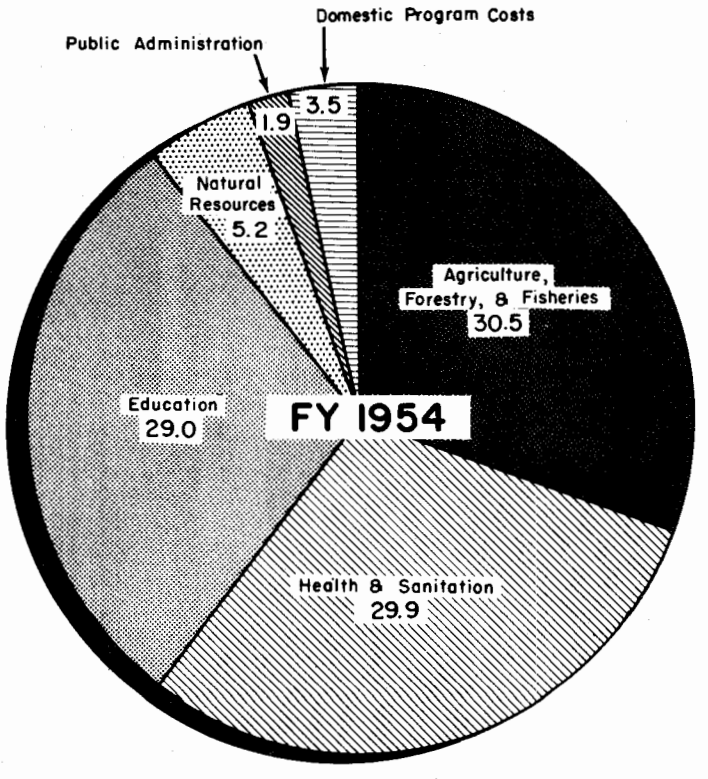
| PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53 (Thousand dollars) | | |
|---|---|---|
| Major Field of Activity | 1952 | 1953 |
| Agric., For., Fisheries | 172.4 | 335.1 |
| Health and Sanitation | 162.5 | 219.9 |
| Education | 196.3 | 195.7 |
| Natural Resources | 24.8 | 22.5 |
| Ind. & Labor | - | - |
| Transportation | - | - |
| Pub. Admin. | 20.2 | 25.2 |
| General Project | - | - |
| Domestic Program Costs | 22.5 | 24.9 |
| Total | 598.7 | 823.3 |

| DISTRIBUTION OF COSTS FOR FY 1954 (Thousand dollars) | | | | |
|---|---|---|---|---|
| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
| 213.4 | 95.0 | 9.8 | 65.0 | 43.6 |
| 209.3 | 85.9 | 13.1 | 100.0 | 10.3 |
| 202.8 | 105.0 | 17.2 | 50.0 | 30.6 |
| 36.3 | 23.5 | - | - | 12.8 |
| - | - | - | - | - |
| - | - | - | - | - |
| 12.9 | - | 12.9 | - | - |
| - | - | - | - | - |
| 24.6 | 14.1 | 10.5 | - | - |
| 699.3 | 323.5 | 63.5 | 215.0 | 97.3 |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# PANAMA

## GENERAL SITUATION

The existence of the Canal Zone has preserved the tendency of the country to overemphasize commercial activities to the detriment of agricultural and industrial development. Panama's history of financial ups and downs is tied to the amount of trans-isthmian traffic; the slump following World War II, which extends to the present, has meant a high rate of unemployment, an unfavorable balance of trade and political unrest. A large percentage of perishable food crops grown in the interior is lost through the lack of transport and market facilities. The absence of modern farming methods and appropriate machinery and the presence of insects and plant diseases limit farm production. Health and sanitation facilities are lacking. There is a high incidence of malaria, tuberculosis and intestinal parasites. Social welfare aid is especially needed in the terminal cities of Panama and Colon. Panama devotes 30% of its national budget to education, but its schools are poorly equipped and suffer from a lack of a functional-practical orientation, adequate teacher training, teaching methods and curricula. In the past 40 years the population has doubled; school enrollment has increased ten-fold, but educational facilities have failed to keep pace. Increased agricultural production or exploitation of the country's considerable resources would create a number of opportunities and demands for additional small industrial and processing plants. Increased agricultural production in most areas and the opening up of new lands will have to be accompanied by improved type systems. The Panamanian Government realizes that drastic fiscal and administrative reform is a requirement for obtaining foreign loans for development purposes.

## PROGRAM OBJECTIVES

(1) Improve agricultural production to meet the country's basic food needs and those of the Canal Zone; (2) assist in improving health, sanitation and housing conditions in order to combat disease and raise workers' productivity; (3) cooperate in development of vocational and rural education so as to prepare workers for agricultural and industrial pursuits; (4) assist Panama in its program of development of essential small industries, and in providing better transportation facilities, and in the improvement of governmental administrative practices.

## PROGRESS TO DATE

U.S. technical assistance is recognized by the Panamanian Government as an integral and valuable part of its plans for economic development. The enlarged and revised cooperative agricultural program has become the principal instrument for developing the country's agricultural potential. Much has been done to effect a mutually satisfactory partnership in attacking basic problems in a country of prime strategic importance to the United States. As of December 31, 1952, 61 Panamanians had received training in the U. S. and returned to the country. Forty-nine of these were working for their government in their specialties.

## MAJOR ACTIVITIES FOR FISCAL YEAR 1954

Agriculture, Forestry and Fisheries - (1) Assist Panamanian National Institute of Agriculture in coordinating agricultural research; (2) planning and organizing extension service and farm youth club work; land clearing; promoting demonstration-production farms; crop improvement and storage facilities; irrigation and marketing; weed and insect control; increased availability and use of animal-drawn and mechanized farm equipment; and crop improvement, particularly in rice and sweet potato production; (3) the University of Arkansas mission will continue its reorganization of the School of Agriculture.
Health and Sanitation - (1) Combatting tuberculosis, the country's number one killer; nutrition assistance in hospitals; malaria control; training of Panamanian technicians to continue work in municipal health centers; a general health-education program; (2) public health engineering; surveys of sanitary conditions; and recommendations for meeting sanitation problems in water supply and sewage disposal; (3) improvement of nursing training at Santo Tomas Hospital in Panama City, the only nursing school in Panama and at the Tuberculosis Sanitarium; (4) planning and coordinating social welfare activities of the Panamanian Government, the University of Panama, and existing welfare agencies.
Education - (1) Assistance to rural elementary schools; training of Panamanian education leaders; and assistance to the rural teacher training program at the national normal school; (2) aid in industrial education at two schools in Panama City; also in industrial arts at David, Divisa, Colon, Chitre, and Las Tablas; a joint program with the University of Panama in summer school courses of industrial education for college credit; agricultural education at David, Las Tablas, and Chitre; (3) special pre-service training through normal school courses; summer sessions and teacher workshops for in-service training.
Industry, Trade and Labor - (1) Industrial survey to analyze requirements for increasing industrial production and expanding agricultural processing; (2) compilation of a cost of living index and training Panamanians to assemble and analyze cost-of-living data.
Transportation and Communications - Advice on civil aviation problems at Panama's international airport; assistance to Panamanian Government in expanding its domestic air facilities.
Public Administration - Assistance in fields of administration, personnel, civil service, and fiscal matters, and to the Administrator of the Customs Free Zone of the City of Colon adjoining the Canal Zone.
Training - Awards have been provided in the above fields.

# PANAMA

| GENERAL | 1951 |
|---|---|
| Area (1,000 sq. miles) | 29 |
| Population (thousands) | 833 |

| PRICE INDEXES | 1938 | 1950 | 1951 |
|---|---|---|---|
| Cost of Living (Panama City (1948 = 100) | 50(1940) | 90 | 94 |

| INCOME AND PRODUCTION | 1938 | 1950 1/ | 1951 |
|---|---|---|---|
| Per Capita Income (Dollars) | N.A. | 180 | 155 |

1/ 1949

| INTERNATIONAL TRADE (millions of dollars) | 1938 | 1951 | 1952 |
|---|---|---|---|
| Total Exports | 7.0 | 15.0 | 15.4 |
| Total Imports | 20.0 | 75.0 | 76.2 |
| United States Trade | | | |
| Exports to United States | 3.4 | 12.1 | N.A. |
| Imports from United States | 10.1 | 46.6 | N.A. |
| Principal Commodity Exports | | | |
| Bananas (1000 stems) | 6400 | 4872 | N.A. |
| Cacao (metric tons) | 4041 | 1360 | N.A. |
| Abaca (metric tons) | N.A. | 3508 | N.A. |

| UNITED STATES INVESTMENTS IN LATIN AMERICA (In millions of dollars) | |
|---|---|
| Direct private | 348.7 |
| Direct U. S. Gov't. | 75.0 |
| Other | 35.9 |
| Total | 459.6 |

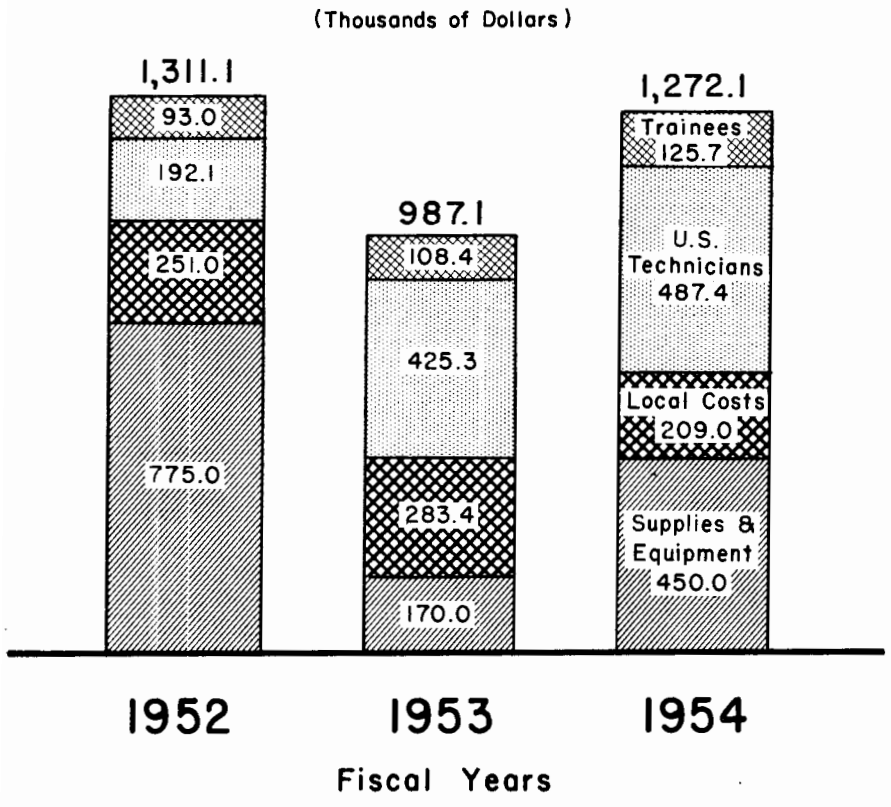
PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53
(Thousand dollars)

| Major Field of Activity | 1952 | 1953 |
|---|---|---|
| Agric., For., Fisheries | 827.2 | 317.9 |
| Health and Sanitation | 185.9 | 247.0 |
| Education | 240.9 | 288.8 |
| Natural Resources | - | - |
| Ind. and Labor | - | 34.0 |
| Transportation | 20.6 | 36.8 |
| Pub. Admin. | 16.4 | 26.0 |
| General Project | - | - |
| Domestic Program Costs | 20.1 | 36.6 |
| Total | 1311.1 | 987.1 |

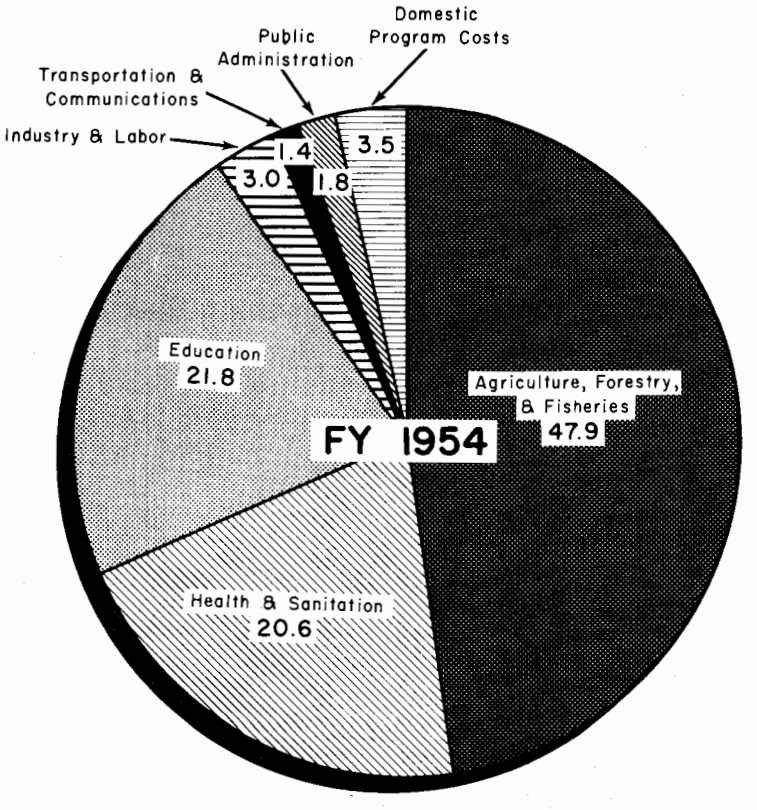
DISTRIBUTION OF COSTS FOR FY 1954
(Thousand dollars)

| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 609.5 | 176.0 | 29.5 | 260.0 | 144.0 |
| 261.9 | 110.4 | 30.1 | 95.0 | 26.4 |
| 277.8 | 150.3 | 22.5 | 95.0 | 10.0 |
| - | - | - | - | - |
| 38.2 | 11.0 | 7.6 | - | 19.6 |
| 17.9 | 5.9 | 7.5 | - | 4.5 |
| 23.1 | 11.1 | 7.5 | - | 4.5 |
| - | - | - | - | - |
| 43.7 | 22.7 | 21.0 | - | - |
| 1272.1 | 487.4 | 125.7 | 450.0 | 209.0 |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# PARAGUAY

## GENERAL SITUATION

Paraguay's potential for producing certain raw materials needed by the free world is great. But to become more productive, the people of Paraguay must become healthier, raise more food, and enjoy better educational facilities. There is great need for transportation and power development. While the economy is based largely on agriculture, less than 1% of the land is used to produce food. Large areas suitable for settlement and development lie idle. Therefore, increased agricultural development, including cattle raising and application of more modern techniques, are of primary importance. A high incidence of disease greatly reduces the efficiency of the workers. Hookworm and intestinal diseases are prevalent. Tuberculosis takes a heavy toll. Adequate low cost housing is needed. Although the cooperative education program has been able to improve schools and teaching techniques in some areas, the general illiteracy rate is high.

## PROGRAM OBJECTIVES

(1) Increase agricultural productivity through improved techniques and diversification; (2) improve general health conditions, thereby increasing man hour productivity; (3) reorganize school systems more adequately to meet educational needs; (4) develop the rich natural resources of the country; (5) develop small industries, thereby encouraging increased private investment; (6) develop more efficient public administration.

## PROGRESS TO DATE

Perhaps the most concrete evidence of the success of the joint program to date is provided by Paraguay's willingness not only to assume a larger portion of its cost, but to take over direct operation of a substantial number of completed projects. Operations have benefited particularly from the activities of the Joint United States-Paraguay Commission for Economic Development. An outstanding example of benefits accruing to Paraguay as a result of the program has been the studies on which a $5 million International Bank loan for agricultural development was based. As of June 30, 1952, 39 Paraguayans had received training in the United States and returned.

## MAJOR ACTIVITIES FOR FISCAL YEAR 1954

Agriculture, Forestry and Fisheries - (1) Introduction of new varieties of crops and increased beef and dairy production through breeding and range improvements; (2) cooperation with the Ministry of Agriculture in emphasizing the training of a corps of Paraguayan extension agents and developing an extension service; (3) cooperation with an agricultural school near Asuncion; (4) multiplication of new varieties of wheat seed and assistance in the operation of a large demonstration ranch and model dairy, artificial insemination and range pasture improvement; (5) assistance to the National Agronomy Institute in crop improvement and to the Ministry of Agriculture in organizing and operating a new machinery pool; (6) assisting the Government's supervised rural credit agency; (7) survey of land and water resources; (8) cooperation with the National Colonization Institute in survey and plan to colonize the Upper Parana River region; (9) studies and surveys for new land development; (10) study of major marketing problems, grain storage and area development possibilities.

Health and Sanitation - (1) Medical - country-wide campaigns against preventable infectious diseases, assistance in maternal hygiene, pre-school and school children's hygiene, operation of health centers and a tuberculosis sanatorium and serology laboratory, assistance to the leper colony, improvement of nursing services; (2) Environmental Sanitation - cooperation with the Ministry of Public Health and other organizations on engineering, planning and designing, and initiation of a rural sanitation program; (3) Vital Statistics and Social Welfare - improvement of the collection and analysis of vital statistics and assistance to government in a program of social welfare.

Education - (1) Vocational - improvement of existing shops and courses in trades and crafts, establishment of new courses and constructing and equipping new shops in machine shop, electricity and graphic arts, development of industrial arts curriculum for secondary and upper elementary grades and establishing industrial art shops in two schools in Asuncion; (2) Rural Elementary - establishing a pilot rural normal school, stressing agriculture, home life education and simple manual skills, three workshops for rural normal school teachers and for rural school teachers and supervisors in modern teaching methods and use of teaching materials, development of new instructional materials to meet special needs of rural Paraguay.

Natural Resources - (1) Mineral Surveys and Development - study possibilities of utilizing known mineral resources; (2) Irrigation and Power Development - hydroelectric engineering survey under contract with private firm; (3) Land Management - cadastral surveys and land ownership study.

Industry, Trade and Labor - Development of small industry and encouraging and aiding local interests to find private U. S. capital for industry development and U. S. investors to locate investment opportunities.

Transportation and Communications - Implementation of transportation survey including development and expansion of river transportation system; establishment of a public utility regulatory body; expansion and development of road transportation system.

Public Administration - Assisting the government in the following fields: Public Administration, Procurement and Warehousing, Tax Administration, Budget Management, Civil Service Administration, Census and Statistics.

Training - Awards will be provided in all current fields of technical cooperation.

# PARAGUAY

| GENERAL | 1951 |
|---|---|
| Area (1000 sq. miles) | 157 |
| Population (thousands) | 1,500 |

| PRICE INDEXES | 1938 | 1950 | 1951 |
|---|---|---|---|
| Cost of Living (Asuncion 1948 = 100) | 24 | 231 | 316 |

| INCOME AND PRODUCTION | 1938 | 1950 | 1951 |
|---|---|---|---|
| Per Capita Income (dollars) | n.e. | 80(1949) | 118 |

| INTERNATIONAL TRADE (millions of dollars) | 1938 | 1951 |
|---|---|---|
| Total Exports | 7.0 | 35.0 |
| Total Imports | 9.0 | 19.0 |
| United States Trade | | |
| Exports to United States | 0.9 | 4.9 |
| Imports from United States | 0.7 | 3.3 |
| Principal Commodity Exports | | |
| Logs and Lumber (1000 metric tons) | 59.0 | 200.0 |
| Cotton (1000 metric tons) | 7.0 | 9.0 |
| Hides and Skins (1000 metric tons) | 8.0 | 7.0 |

| UNITED STATES INVESTMENTS IN LATIN AMERICA (millions of dollars) | 1950 |
|---|---|
| Direct private | 6.3 |
| Direct U.S. Gov't. | 1.0 |
| Other | 1.9 |
| Total | 9.2 |

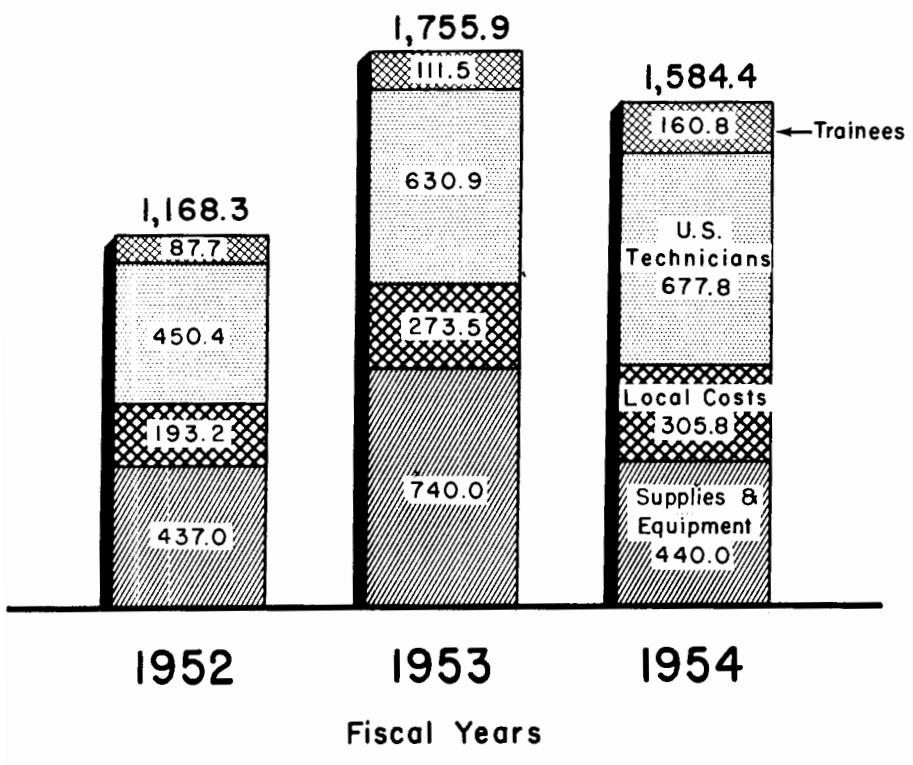
PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53
(thousand dollars)

| Major Field of Activity | 1952 | 1953 |
|---|---|---|
| Agric., For., Fisheries | 545.4 | 510.0 |
| Health and Sanitation | 258.6 | 264.4 |
| Education | 191.5 | 644.1 |
| Natural Resources | 19.6 | 38.6 |
| Ind. & Labor | - | 38.1 |
| Transportation | 22.8 | 79.7 |
| Pub. Admin. | 92.0 | 139.9 |
| General Project | - | - |
| Domestic Program Costs | 38.4 | 41.1 |
| Total | 1168.3 | 1755.9 |

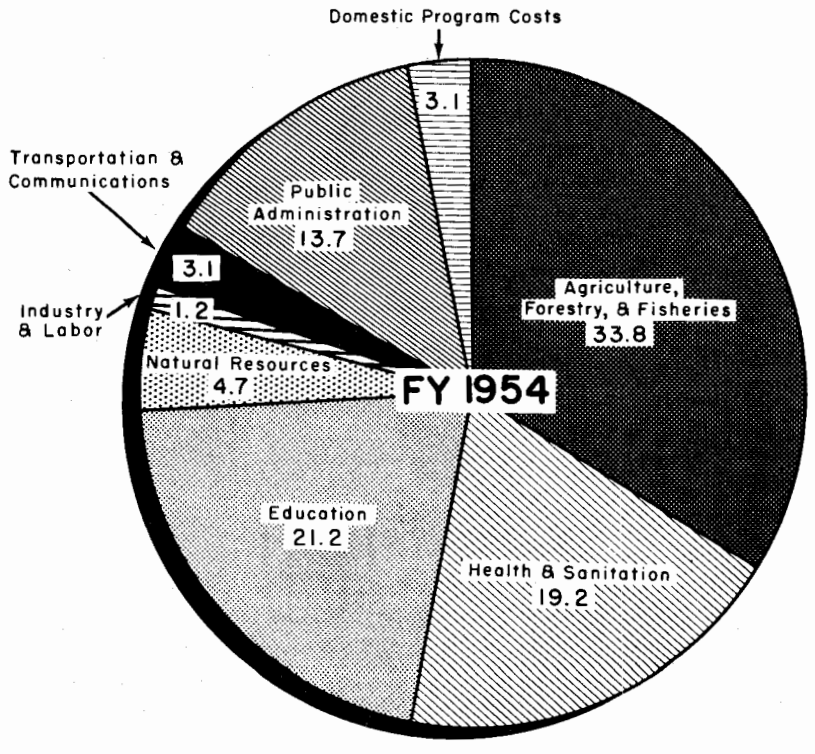
DISTRIBUTION OF COSTS FOR FY 1954
(thousand dollars)

| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 534.4 | 211.4 | 35.0 | 200.0 | 88.0 |
| 304.7 | 127.0 | 34.0 | 130.00 | 13.7 |
| 336.1 | 133.7 | 30.0 | 110.0 | 62.4 |
| 75.0 | - | - | - | 75.0 |
| 18.1 | 13.1 | - | - | 5.0 |
| 49.2 | 11.2 | - | - | 38.0 |
| 217.3 | 153.6 | 40.0 | - | 23.7 |
| - | - | - | - | - |
| 49.6 | 27.8 | 21.8 | - | - |
| 1584.4 | 677.8 | 160.8 | 440.0 | 305.8 |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# PERU

## GENERAL SITUATION

Agriculture is Peru's principal industry. Production of wheat, fats and oils, and meat is insufficient for domestic needs. Expansion of the potentially usable land is slow because large capital investment is required for irrigation, drainage, clearing, and the construction of access roads. The standard of living is generally low with a majority of the population employed in subsistence farming. The increase in population and the continued shift of people from rural to urban areas make it necessary to further expand agricultural mechanization and facilities of transportation, irrigation and education. A high incidence of diseases such as malaria, amoebic dysentery, hookworm, typhoid, typhus, and smallpox makes life expectancy low and infant mortality high.

## PROGRAM OBJECTIVES

To contribute to the basic economic stability and progressive development of Peru by helping the Peruvian Government in its efforts to produce a more healthy and vigorous population that is equal to the task of accepting the responsibility for such development. To increase food production at a rate faster than population growth, raise the general health level of the people, raise educational and literacy levels and develop a more diversified minerals industry.

## PROGRESS TO DATE

Important economic and social effects of U.S. technical assistance include marked improvements in agricultural production and in health and educational conditions, with a resultant increase in the national production and in individual incomes. Since the program began, 121 Peruvians have completed training in the United States.

## MAJOR ACTIVITIES FOR FISCAL YEAR 1954

Agriculture, Forestry and Fisheries. (1) Research in two distinct agricultural environments: Tingo Maria emphasizes development of food crops suitable for production and storage in humid climates and industrial crops suitable to jungle areas; La Molina concentrates on food and forage crops. (2) Operation of a countrywide extension service with 37 rural offices to aid farmers in all phases of farm operations, crops, machine operations, plant and animal insect control, use of fertilizers and insecticides, storage, marketing and farm credit, home economics and organization of farm youth clubs. (3) Stimulation of increased animal products by use of area demonstration farms with the objective of pioneering and colonizing large undeveloped areas of Peru. (4) Operation of tractors and other power equipment pools with assistance to farmers in preparing and seeding their lands, harvesting crops and other operations. (5) Assistance toward protecting their lands against erosion, providing irrigation water supplies, and constructing drainage systems. (6) Study of jungle lands of the upper Amazon for expansion of rubber production. (7) Advisory services in planning and training for an aquatic and wildlife conservation program.

Health and Sanitation. (1) Establishment and operation of medical health centers, hospitals, dispensaries, sanitary posts, and laboratories; operation of dispensary launches that serve jungle areas; campaigns against dysentery, yellow fever and leprosy; assistance to health education program; industrial hygiene to protect miners in high altitudes where silicosis is prevalent; improvement of the government's social welfare programs; initiation of environmental sanitation program. (2) Improvement of collection of vital statistics and housing.

Education. (1) Inauguration of a large new Central Normal School at Chosica for the preparation of elementary rural and urban teachers; directing the establishment of a smaller rural normal school for the Altiplano; education of rural teachers in active service; supervision of a vocational agricultural school. (2) Vocational training of students in auto mechanics, plumbing, carpentry, machine shop, electricity, other subjects.

Natural Resources. Survey of lead and zinc deposits and of strategic mineral deposits; improvement of the organization and research program of the Peruvian Government mining agency.

Industry, Trade and Labor. (1) Engineering assistance to small industries. (2) Labor consultant services in establishing and operating public employment offices in several regions of Peru and setting up of testing offices; (3) assist in encouraging and aiding local interests to find private U.S. capital for industry development and U.S. investors to locate opportunities for investment.

Transportation and Communications. (1) Organization of civil aviation agencies; drafting a Civil Aviation Code; establishing safety regulations; improvement of airport operation, traffic control, communications and navigation. (2) Shipping consultant services to the Peruvian Steamship Corporation on problems of management and operation.

Public Administration. Advisory services on administrative methods and procedures; census preparation; meteorology.

Training. Awards have been provided in all the above fields.

# PERU

| GENERAL | |
|---|---|
| | 1951 |
| AREA (1000 sq. miles) | 482 |
| POPULATION (thousands) | 8,700 |

| PRICE INDEXES | | | |
|---|---|---|---|
| | 1938 | 1950 | 1951 |
| Wholesale (Lima (1948 = 100) | 26 | 163 | 192 |
| Cost of living (Lima 1948 = 100) | 30 | 129 | 142 |

| INCOME AND PRODUCTION | | |
|---|---|---|
| | 1950 | 1951 |
| Per capita income (dollars) | 100 1/ | 100 |
| Agricultural Production Index (1935-39 = 100) | 133 | n.a. |

1/ (1949)

| INTERNATIONAL TRADE (Million Dollars) | | | |
|---|---|---|---|
| | 1938 | 1951 | 1952 |
| Total exports | 67.7 | 253.0 | 235.7 |
| Total imports | 58.2 | 280.0 | 287.5 |
| United States Trade | | | |
| Exports to United States | 18.3 | 59.0 | NA |
| Imports from U. S. | 20.4 | 156.0 | NA |
| Principal Commodity Exports | | | |
| Sugar (1000 metric tons) | 260.2 | 263.8 | NA |
| Copper do | 37.8 | 34.6 | NA |
| Cotton do | 69.6 | 26.0 | NA |

| UNITED STATES INVESTMENTS IN LATIN AMERICA (In millions of dollars) | |
|---|---|
| | 1950 |
| Direct private | 140.0 |
| Direct U. S. Government | 30.0 |
| Other | 51.0 |
| Total | 221.0 |

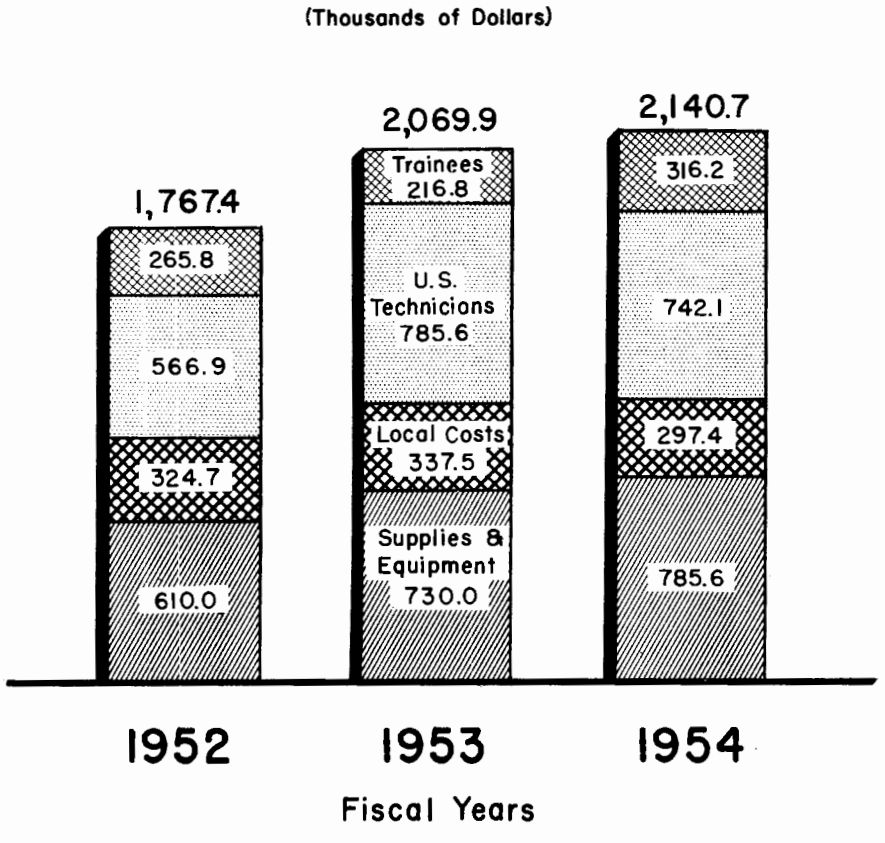
PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53 (Thousand dollars)

| Major Field of Activity | 1952 | 1953 |
|---|---|---|
| Agr., For., Fisheries | 733.8 | 996.4 |
| Health & Sanitation | 385.0 | 397.0 |
| Education | 462.0 | 410.9 |
| Natural Resources | 52.8 | 78.0 |
| Industry & Labor | - | 41.5 |
| Transportation | 6.5 | 41.4 |
| Pub. Admin. | 68.6 | 42.5 |
| General Project | - | - |
| Domestic Program Costs | 58.7 | 62.2 |
| Total | 1767.4 | 2069.9 |

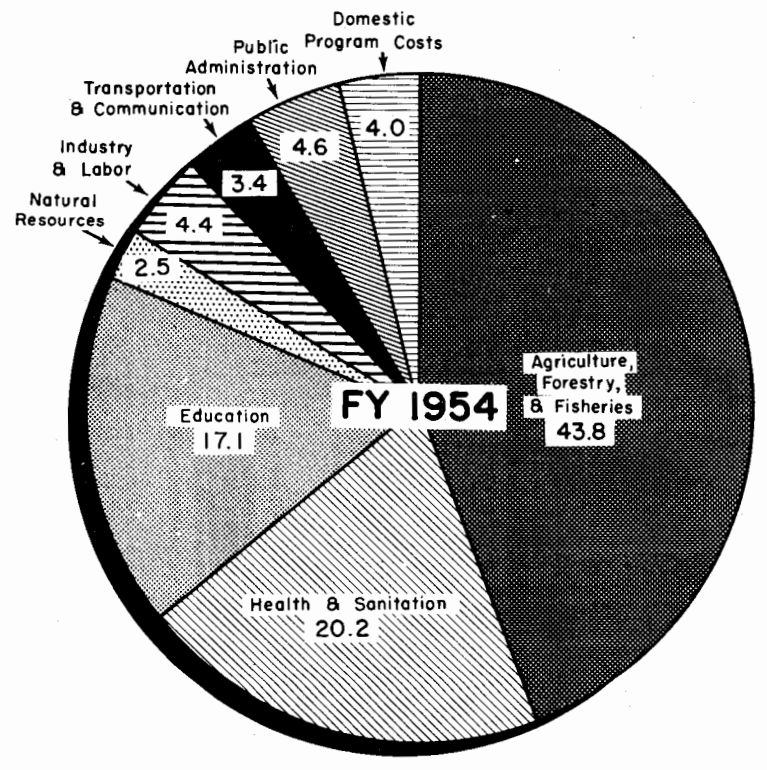
DISTRIBUTION OF COSTS FOR FY 1954 (Thousand dollars)

| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 938.4 | 360.3 | 41.8 | 365.0 | 171.3 |
| 431.8 | 143.8 | 59.5 | 165.0 | 63.5 |
| 365.0 | 115.7 | 38.0 | 200.0 | 11.3 |
| 54.3 | 22.7 | 11.6 | - | 20.0 |
| 94.2 | - | 34.2 | 55.0 | 5.0 |
| 72.0 | 23.9 | 34.2 | - | 13.9 |
| 99.1 | 40.9 | 45.8 | - | 12.4 |
| - | - | - | - | - |
| 85.9 | 34.8 | 51.1 | - | - |
| 2140.7 | 742.1 | 316.2 | 785.0 | 297.4 |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# URUGUAY

## GENERAL SITUATION

Uruguay's need for making the most effective use of the country's natural and human resources has never been greater than it is today. Dependent upon the export of wool, meat, vegetable oil, hides and skins for the necessary foreign exchange with which to purchase essential imports, Uruguay's economy and program in economic development are very sensitive to changes abroad in price levels of wool and meat, which in the past year showed sharp reductions. To resolve its economic problems, Uruguay needs to modernize and increase its present production of livestock, produce more wool and meat, both for home consumption and export, diversify and expand its agriculture, and develop industrial production to the maximum set by limitations of available resources.

## PROGRAM OBJECTIVES

1. To make optimum use of the human resources by expanding the preventive health program with the object of minimizing absenteeism, increasing individual productivity on the job, and reducing the incidence of disease and death.
2. To assist in increasing food production by reducing and preventing disease in animals, and by diversification of agriculture.
3. To promote industrial development by increasing productivity, lowering costs and improving quality through provision of industrial productivity specialists on consulting basis and dissemination of technical information and related services.

## PROGRESS TO DATE

The overall effect of U. S. technical assistance has been felt primarily in the health and sanitation field. Over a ten-year period the program has helped to reduce the incidence of certain diseases, introduced modern methods in public health services, inaugurated training processes and trained many Uruguayan technicians, both locally and in the United States. Since the program began, 75 Uruguayans have completed their training in the United States.

The confidence of the Uruguayan Government in U. S. technical assistance stemming from the activities of the health program has stimulated the Government to request assistance in its agricultural and industrial programs.

## MAJOR ACTIVITIES FOR FISCAL YEAR 1954

Agriculture, Forestry and Fisheries - Technical assistance in the establishment and operation of a general agricultural development program will be given after the Servicio Agreement, which was signed March 14, 1951, is ratified by the Uruguayan Congress.

Health and Sanitation - (1) Medical - Preventive health campaigns; operation of four health centers and construction of two new ones; disease control program to eradicate yellow-fever-bearing mosquito, and operation of a mobile X-ray unit for detection of tuberculosis; development of an industrial hygiene project and assistance in the government's social welfare programs; assistance to the University School of Nursing; preparation and supervision of training courses for public health. (2) Environmental Sanitation - In-service training of sanitarians.

Industry, Trade and Labor - Consultant management and engineering services to aid medium and small industry; formulation of an Industrial Productivity Servicio; and assistance in encouraging and aiding local interests to find private U. S. capital for industry development and U. S. investors to locate opportunities for investment.

Public Administration - (1) Development and implementation of nation-wide plans for improvement of public administration. (2) Census and Statistics - Cooperation with the government on the reorganization of its statistical services and in the development of a statistics and census program.

Training - Awards are provided for in the following fields: Agriculture, Forestry and Fisheries, Health and Sanitation, Industry and Labor and Public Administration.

# URUGUAY

| GENERAL | 1951 |
|---|---|
| AREA (1,000 sq. miles) | 72 |
| POPULATION (Thousands) | 2,450 |

| PRICE INDEXES | 1938 | 1950 | 1951 |
|---|---|---|---|
| Cost of Living (Montevideo 1948 = 100) | 55 | 101 | 115 |

| INCOME AND PRODUCTION | 1938 | 1950 |
|---|---|---|
| Per Capita Income (Dollars) | n.a. | 330 (1949) |
| Agricultural Production Index (1935-39 = 100) | n.a. | 118 |

| INTERNATIONAL TRADE (Million Dollars) | 1938 | 1951 | 1952 |
|---|---|---|---|
| Total Exports | 62.0 | 236.0 | 208.9 |
| Total Imports | 62.0 | 309.0 | 236.6 |
| United States Trade | | | |
| Exports to United States | 2.4 | 102.7 | n.a. |
| Imports from United States | 7.4 | 140.0 | n.a. |
| Principal Commodity Exports | | | |
| Wool (1,000 metric tons) | 53.2 | 33.6 | n.a. |
| Hides & skins (1,000 metric tons) | 27.4 | 27.0 | n.a. |
| Meat (1,000 metric tons) | 99.1 | 81.7 | n.a. |

| UNITED STATES INVESTMENTS IN LATIN AMERICA (In millions of dollars) | 1950 |
|---|---|
| Direct Private | 55.3 |
| Direct U. S. Government | 12.0 |
| Other | 33.8 |
| Total | 101.1 |

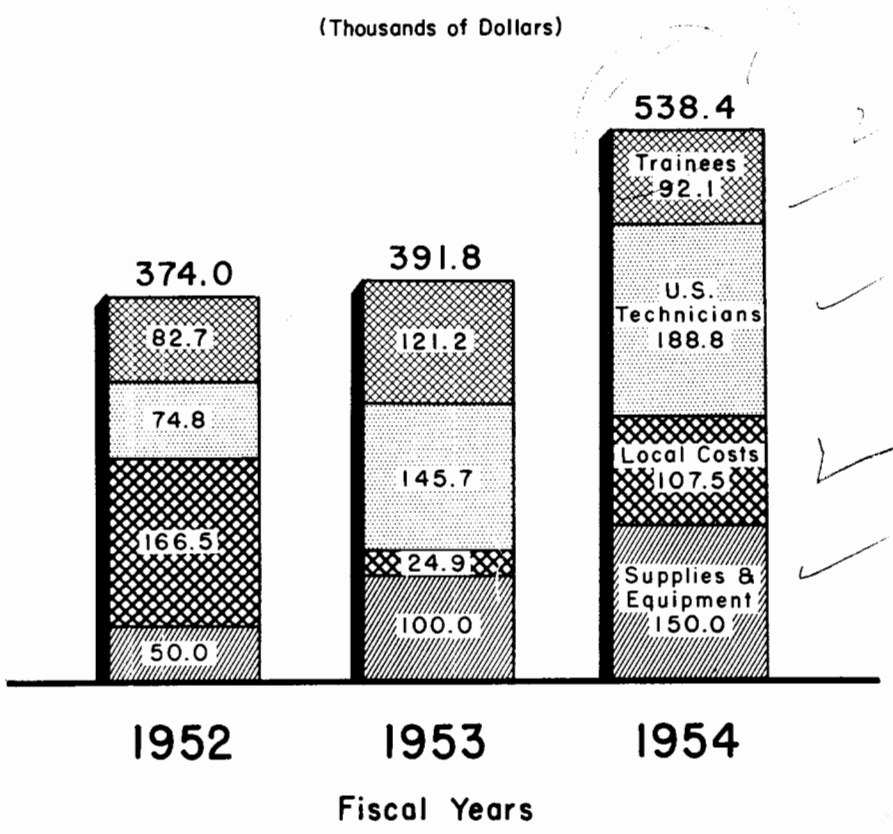
PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53
(Thousand Dollars)

| Major Field of Activity | 1952 | 1953 |
|---|---|---|
| Agr., For., Fisheries | 196.5 | 86.6 |
| Health and San. | 111.3 | 163.8 |
| Ind. and Labor | .. | 63.5 |
| Pub. Admin. | 54.8 | 48.2 |
| Domestic Program Costs | 11.4 | 21.2 |
| Transportation | .. | 8.5 |
| Total | 374.0 | 391.8 |

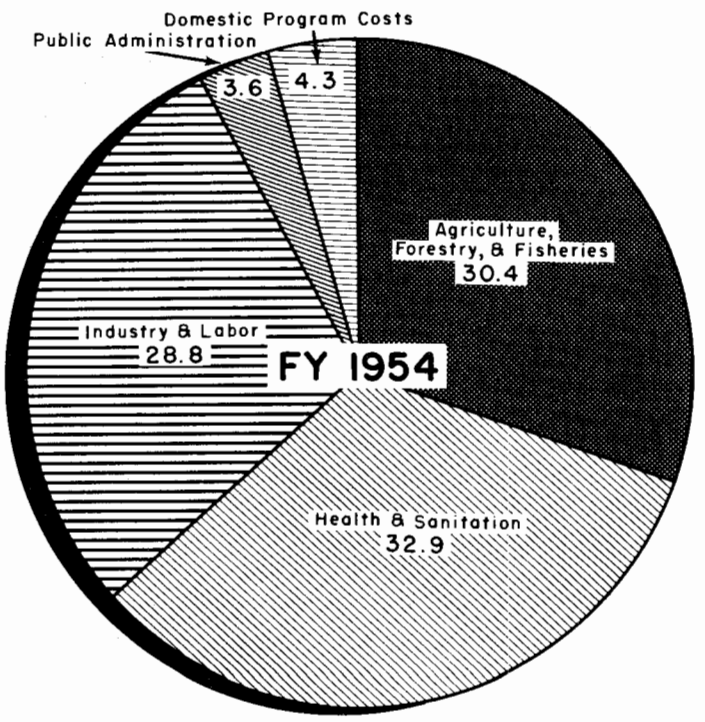
DISTRIBUTION OF COSTS FOR FY 1954
(Thousand Dollars)

| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 163.6 | 52.3 | 4.0 | 100.0 | 7.3 |
| 177.0 | 68.3 | 38.0 | 50.0 | 20.7 |
| 155.0 | 48.7 | 28.3 | .. | 78.0 |
| 19.4 | 11.9 | 6.0 | .. | 1.5 |
| 23.4 | 7.6 | 15.8 | .. | .. |
| .. | .. | .. | .. | .. |
| 538.4 | 188.8 | 92.1 | 150.0 | 107.5 |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# VENEZUELA

## GENERAL SITUATION

The basis of Venezuela's commercial and financial economy is petroleum. Agriculture and industry are underdeveloped, transportation facilities are yet inadequate, and education facilities are poor. The foreign companies which have operated the petroleum industry have generally followed an enlightened policy of improving the health, housing, and education of their own employees. But many Venezuelans who do not work in petroleum are uneducated, suffer from disease, and are poorly housed. The Venezuelan Government has shown a desire to make a more careful analysis of its own needs for economic development before making requests for additional technical assistance.

## PROGRAM OBJECTIVES

1. To assist the Ministry of Health to improve the general level of health by providing demonstration projects in environmental sanitation, especially water supply systems, and in vital statistics; by training professionals, especially nurses, and nonprofessionals in public health activities and sanitation.

2. In the field of public administration, to assist in endeavoring to delineate the various responsibilities of the several governments--federal, state, and local--in working for the welfare of all their people.

## PROGRESS TO DATE

The principal overall effect of U. S. technical assistance has been the improvement in health and sanitation and the realization that the U. S. recognizes the Venezuelan need for technical assistance and is prepared to cooperate with Venezuela in appropriate fields of activity.

A health and sanitation program designed to protect rubber workers in the jungle areas of southern Venezuela was carried on from 1942 through 1946. The Venezuelan Government, with the participation of the Sanitation and Health mission from 1942 to 1946, brought about a significant reduction in the high mortality rate caused by malaria, the number declining from 2,374 deaths in 1942 to 397 deaths in 1948. Projects emphasizing health education have been carried out.

The establishment of the Maracay malariological school by the Venezuelan Ministry of Health was the direct result of the cooperative anti-malaria project. A campaign to control hookworm and schistosomiasis was successfully carried out from 1943 to 1946. This project included the building of a laundry and 8,710 privies, provision for laboratory examination and treatment. Disease-carrier snails have been virtually eliminated from streams in endemic areas.

Since the inception of the health and sanitation program, 98 communities with an approximate total population of 100,000 have been furnished water supply systems. In addition, plans providing for the construction, extension, or rehabilitation of public water supply systems serving more than 100 communities have been completed by the Engineering Division of the Servicio.

A supply of competent nurses has been trained through the assistance given the National School of Nursing during 1945--1951.

An administrative survey of the Ministry of Health was made and recommendations for improvement submitted to the responsible U. S. and Venezuelan officials.

A total of 59 professionals have received training, in the field of health, outside the country since the beginning of the program in 1943. Civil Aviation trainees who studied in the U. S. training centers and schools under U. S. Government technical assistance and who have returned to Venezuela total 75.

## MAJOR ACTIVITIES IN FISCAL YEAR 1954

Health and Sanitation. (1) All activities in the medical field have been transferred to the Venezuelan Government. (2) Environmental sanitation and industrial hygiene projects provide for construction, extension and rehabilitation of water supply systems and for assistance in the government's industrial hygiene program. (3) A nurse-educator consultant was sent to Venezuela in FY 1953 to resume assistance in nurse training activities. (4) Plans are being developed to provide technical assistance in the improvement of collection and analysis of vital statistics.

Public Administration Development. The proposed program will provide advice on public administration to the Venezuelan Government's Ministry of Health, and the relationships between the federal, state and municipal governments will be emphasized.

Training. In-service training is being given regularly in the various phases of health and sanitation. No awards for training abroad are provided in FY 1954.

# VENEZUELA

## GENERAL

| | 1951 |
|---|---|
| Area (1000 sq. miles) | 352 |
| Population (thousands) | 5,600 |

## PRICE INDEXES

| | 1938 | 1950 | 1951 |
|---|---|---|---|
| Wholesale (1948 = 100) | 58 | 95 | 100 |
| Cost of Living (Caracas 1948 = 100) | 49 | 97 | 99 |

## INCOME AND PRODUCTION

| | 1938 | 1949 | 1951 |
|---|---|---|---|
| Per Capita Income (dollars) | N.A. | 320 | 392 |

## INTERNATIONAL TRADE
(millions of dollars)

| | 1938 | 1951 | 1952 |
|---|---|---|---|
| Total Exports | 181.0 | 1455.0 | 1528.0 |
| Total Imports | 97.0 | 719.0 | 723.0 |
| United States Trade | | | |
| Exports to United States | 37.1 | 323.9 | N.A. |
| Imports from United States | 54.9 | 455.8 | N.A. |
| Principal Commodity Exports | | | |
| Petroleum, crude (mil.cu.. meters) | 27.2 | 80.0 | N.A. |
| Coffee (1000 metric tons) | 35.9 | 18.9 | N.A. |
| Cacao (1000 metric tons) | 20.6 | 14.3 | N.A. |

## UNITED STATES INVESTMENTS IN LATIN AMERICA
(In millions of dollars)

| | 1950 |
|---|---|
| Direct private | 981.4 |
| Direct U. S. Gov't | 210.0 |
| Other | 53.8 |
| Total | 1,245.2 |

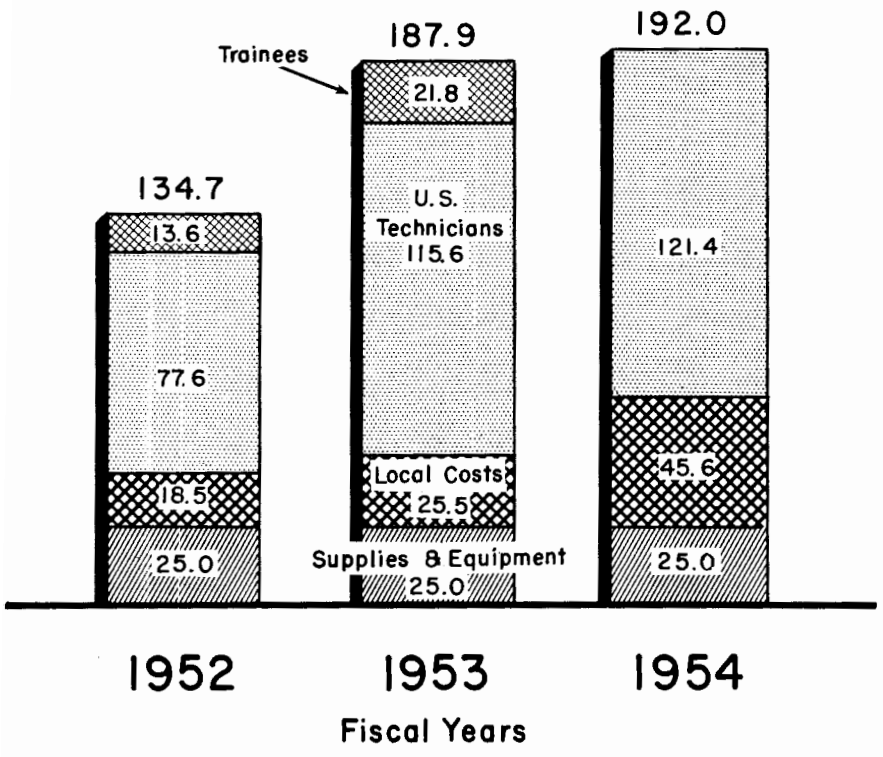
## PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53
(Thousand dollars)

| Major Field of Activity | 1952 | 1953 |
|---|---|---|
| Agr., For., Fisheries | 5.5 | -- |
| Health and Sanitation | 107.4 | 156.8 |
| Education | -- | -- |
| Natural Resources | -- | -- |
| Ind. & Labor | -- | -- |
| Transportation | 17.1 | 18.8 |
| Pub. Admin. | -- | 4.7 |
| General Project | -- | -- |
| Domestic Program Costs | 4.7 | 7.6 |
| Total | 134.7 | 187.9 |

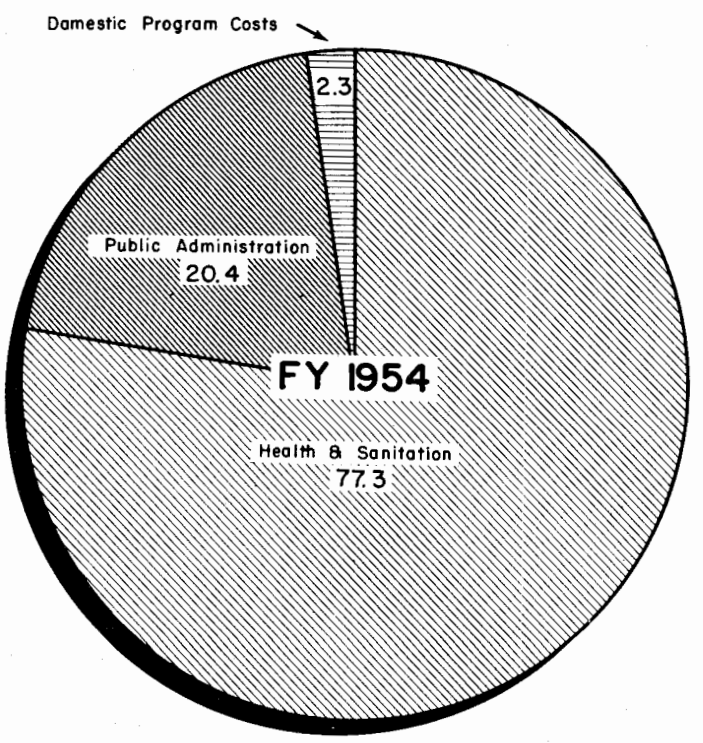
## DISTRIBUTION OF COSTS FOR FY 1954
(Thousand Dollars)

| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| -- | -- | -- | -- | -- |
| 148.4 | 88.9 | -- | 25.0 | 34.5 |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| 39.1 | 28.0 | -- | -- | 11.1 |
| -- | -- | -- | -- | -- |
| 4.5 | 4.5 | -- | -- | -- |
| 192.0 | 121.4 | | 25.0 | 45.6 |

## COUNTRY PROGRAM BY COST FACTORS




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# DEPENDENT OVERSEAS TERRITORIES IN LATIN AMERICA

## GENERAL SITUATION

Those Western Hemisphere Dependent Overseas Territories of European Countries (DOTS) for which technical assistance programs are envisaged in FY 1954 are located wholly within or immediately adjacent to the Caribbean area. They consist of twelve European dependencies (7 British, 3 French and 2 Dutch), with a combined population of almost 4 million. Lying across the main shipping lanes through the Panama Canal, the Caribbean area is of vital importance to the United States. The vast majority of the population of the DOTS are living in poverty, disease, and ignorance chiefly because economic and social resources have not increased as rapidly as has the population. The economy of the island territories is based mainly on sugar and its derivative, rum, and a few non-basic products, like bananas, coconuts, spices, cocoa, tobacco, coffee, which are subject to sharp price fluctuations in the world market. When the production of the principal articles of export fails or declines sharply in price, an already low standard of living is further reduced, producing widespread suffering and distress. Although the European metropolitan governments under the obligations of trusteeship have undertaken to foster programs of social amelioration in their DOTS, their means have been so gravely depleted by two exhausting wars that, even given the will, they are at the present time unable to supply all the basic needs of the territories.

## PROGRAM OBJECTIVES

To supplement efforts of the metropolitan and local governments:

1. To introduce soil conservation programs in an effort to halt loss of natural resources from erosion.
2. To encourage the small farmer to engage in efforts to create an agrarian economy based on basic foodstuffs for domestic consumption, and to reduce dependence on sugar.
3. To provide improvement of health conditions and low cost housing.
4. To foster efforts toward raising educational levels and stimulating basic vocational education training in promising fields of local small industry.

## PROGRESS TO DATE

Congress provided in the legislation for Fiscal Year 1953 for the transfer back to TCA of responsibilities for technical assistance programs for Western Hemisphere Dependent Overseas Territories, after such responsibilities had fallen to MSA under the 1952 program. TCA projects in which substantial progress has been made to date include the following:

1. Vocational training for a significant number of persons from the DOTS at the Metropolitan Vocational Training School in Puerto Rico, initiated by TCA in FY 1952, continued by MSA in FY 1953 and carried on by a small grant of TCA funds in FY 1953.
2. A housing project in several of the DOTS has been underway with TCA funds. This is a project to assist in low-cost, self-help cooperative housing, wherein the beneficiaries contribute with labor to build their own homes. The project has taken place mainly in Surinam, Trinidad, Antigua, Jamaica, Barbados and the Windward Islands. Substantial accomplishments in the way of completed housing units have already been achieved.
3. Training for DOTS residents has been initiated and a General Training Project Agreement is under negotiation with the Netherlands.

In addition to TCA sponsored activities, there are a number of projects which have been or are being completed by MSA in 1953 under its 1952 project funds.

## MAJOR ACTIVITIES IN FISCAL YEAR 1954

Agriculture, Forestry and Fisheries - A team of U.S. technicians is proposed to survey watersheds and plan an overall agricultural development program in the Dependent Overseas Territories. In addition, an extensive training program for approximately 60 DOTS trainees at the University of Puerto Rico is planned. It is also planned to make a grant to the University of Puerto Rico to conduct a seminar on fisheries and one on cooperatives to last from 4 to 8 weeks with 30 people from the Caribbean DOTS in each seminar.

Health and Sanitation - Two grants are proposed for the University of Puerto Rico for seminars in nutrition for Caribbean DOTS students at various levels of instruction. It is proposed to continue assistance in the low cost self-housing project in the Caribbean area. In addition to this project, a grant to the University of Puerto Rico for a housing seminar to supplement the work of the technicians is proposed.

Education - It is planned to assign one U.S. technician for audio-visual education work in the DOTS. In addition, it is planned to assist in preliminary educational surveys of the DOTS looking to concrete steps to improve conditions and facilities.

Industry, Trade and Labor - A project is planned whereby U.S. technicians would give assistance to the DOTS in marketing techniques and procedures and in marketing analysis.

# DEPENDENT OVERSEAS TERRITORIES IN LATIN AMERICA

| GENERAL | 1951 |
|---|---|
| AREA(1000 sq. miles) | 180.0 |
| POPULATION (Thousands) | 4,000 |

DEPENDENT OVERSEAS TERRITORIES

| British: | French: |
|---|---|
| British Guiana | French Guiana |
| British Honduras | Martinique |
| Jamaica | Guadeloupe |
| Barbados | |
| Trinidad and Tobago | Netherlands: |
| Windward Islands | Surinam |
| Leeward Islands | Netherlands Antilles |

INTERNATIONAL TRADE
(Million Dollars)

| | 1951 |
|---|---|
| Total exports | 873.1 |
| Total imports | 1027.1 |
| United States trade | |
| Exports to U.S. | 169.0 |
| Imports from U.S. | 111.3 |

UNITED STATES INVESTMENTS IN DEPENDENT OVERSEAS TERRITORIES
(Million dollars)

| | 1950 |
|---|---|
| Direct private | n.a. |
| Direct U.S. Gov't | n.a. |
| Other | 17.1 |
| Total | 17.1 |

PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53
(Thousand dollars)

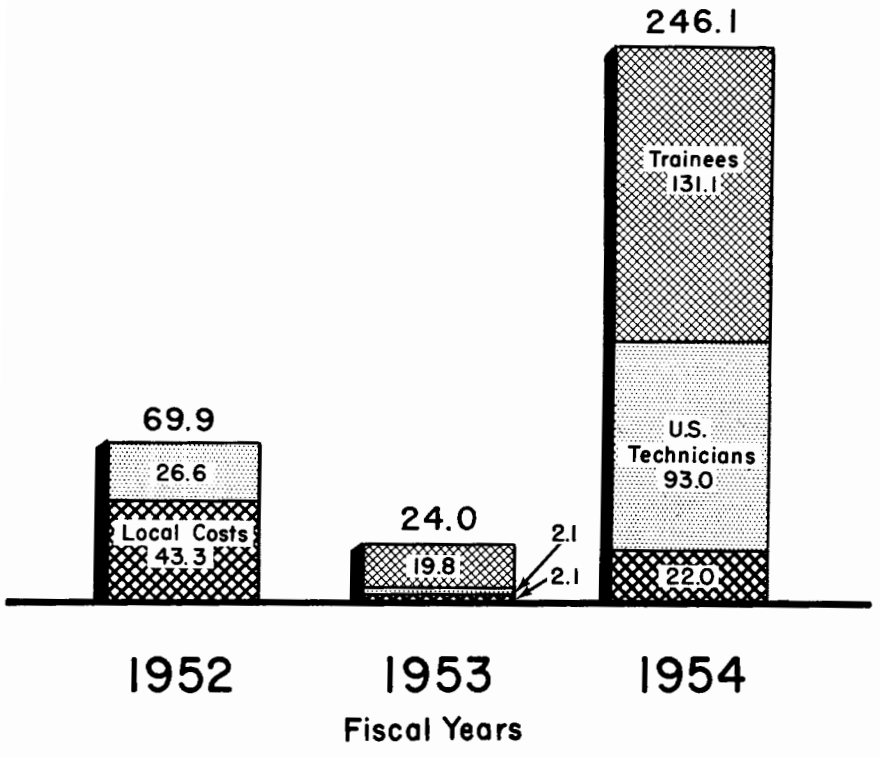
| Major Field of Activity | 1952 | 1953 |
|---|---|---|
| Agric., For., Fisheries | - | 12.6 |
| Health and Sanitation | 68.3 | - |
| Education | - | 5.5 |
| Natural Resources | - | - |
| Ind. & Labor | - | - |
| Transportation | - | - |
| Pub. Admin. | - | - |
| General Project | - | - |
| Domestic Program Costs | 1.6 | 5.9 |
| Total | 69.9 | 24.0 |

DISTRIBUTION OF COSTS FOR FY 1954
(Thousand dollars)

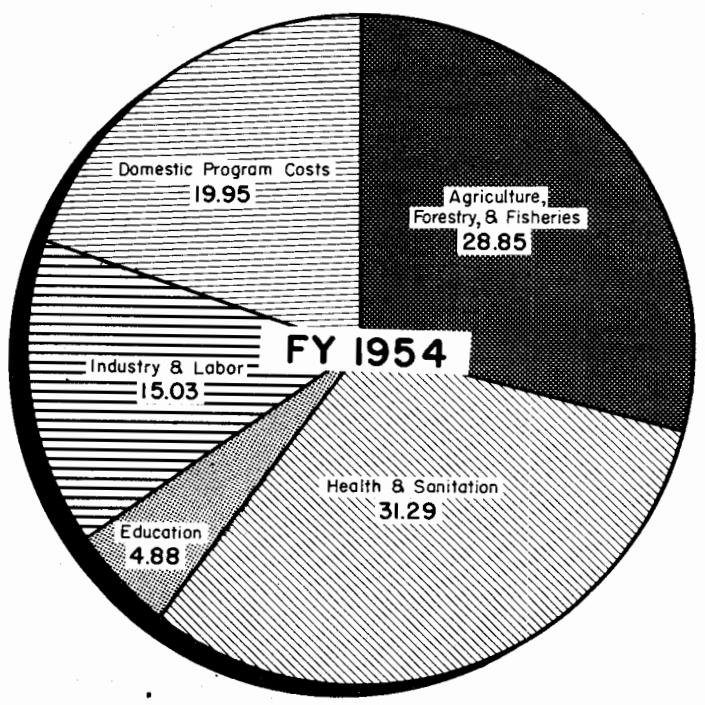
| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 71.0 | 20.0 | 46.0 | - | 5.0 |
| 77.0 | 20.0 | 40.0 | - | 17.0 |
| 12.0 | 12.0 | - | - | - |
| - | - | - | - | - |
| 37.0 | 37.0 | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 49.1 | 4.0 | 45.1 | - | - |
| 246.1 | 93.0 | 131.1 | - | 22.0 |

## COUNTRY PROGRAM BY COST FACTORS

(Thousands of Dollars)




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# TECHNICAL POOLS AND PROJECTS OF REGIONAL CHARACTER-LATIN AMERICA

THE NEED

In order to give balance to the total program and increase its over-all effectiveness, technical pools of U. S. technicians (specialists from universities, industry, and government agencies who are often available for limited periods of time only) have been established for short-term assignments. A roster of outstanding specialists in a wide variety of fields is gradually being developed. The pool device makes it possible to use specialists with greater efficiency and economy, to keep projects going in several countries at once, and to reduce the number of permanent specialists who might otherwise have to be assigned to individual countries or projects. Many technicians are on a full-time basis, located at convenient field posts, and are available on short notice for advice and consultation in their respective specialized fields. In addition, they can fill temporary gaps in a field staff, or supplement the permanent staff in a country during times of special activity when the permanent staff is overburdened. Because of the nature of their assignments, they are in a position to observe particularly outstanding phases of work in a country and to impart that information to field parties in other countries which are undertaking similar activities.

PROGRESS TO DATE

The results of the many varied activities carried on by Regional technicians are illustrated in the statement of progress for each country.

MAJOR ACTIVITIES IN FISCAL YEAR 1954

Agriculture, Forestry and Fisheries - Limited funds are provided for certain contractual services that cannot be charged to individual countries; for example, a contract for fiber experiment and development machines and fiber research laboratory work (Kenaf). The Regional Pool includes specialists in (1) Area Development, (2) Engineering, (3) Agricultural Commodities, (4) Extension Service Activities, (5) Research, (6) Forestry and (7) Fisheries.

Health and Sanitation - Continuation of technical assistance programs in hospital administration, sanitary engineering, social welfare work, industrial hygiene, epidemiology, health education, nursing, public health administration, hospital dietetics and vital statistics. Contracts are proposed in medical education and in research work on certain diseases prevalent in specific areas of Latin America.

Education - Four specialists in applied crafts will lend temporary support to country programs; instructional materials specialists in elementary and vocational education will assist in setting up regional centers for production of teaching materials; a specialist in teacher training will work on a regional plan for normal school curricula; and specialists in English teaching will give short-term support to the general teacher-training programs in four country programs. The teaching materials project started in 1946 will be continued, involving (1) preparation of elementary readers; (2) printing by Government Printing Office of a limited edition of the series for testing and demonstration purposes; (3) initiation of a course for the training of Latin American writers of elementary texts.

Natural Resources - Hydroelectric power studies and land management surveys are planned.

Industry, Trade and Labor - A management and engineering group in a central location in Latin America will service the established industry Servicios, industrial advisers and handicraft staffs. They will directly assist factories, associations, technical schools, and workshops in problems of productivity technique, special aspects of managerial administration, and liaison with U. S. consulting and service organizations. Labor technicians are proposed in the fields of general labor activities, labor statistics, labor law administration and industrial safety. Also, four contracts are planned to provide financial ratio and industry requirements guides; productivity exhibits; digestsof technical journals and preparation of monthly reports on labor productivity techniques; jointly with Mutual Security Agency, a "Shop Practice" edition of technical translations and "Technical Digest" editions are proposed. Factory extension services, pilot plant operations and other engineering services which are not within competence of available technical assistance personnel will be set up under contract.

Transportation and Communications - Transportation consultants will assist the Latin American countries in the development of overall transportation programs. Present demands on the Regional Aviation Assistance Group indicate a need for short-term specialized assistance.

Public Administration - Specialized assistance will be provided in personnel administration, taxation, accounting and auditing, municipal administration, budget management, procurement and warehousing, organization and methods, general administration, and economic and census statistics.

General Projects - U. S. Technical Media Specialists assist the Cooperative Servicios and Ministries to develop and utilize audio visual and mass communication media. Assist both U. S. and National technicians in reaching the people in Latin America and implementing the "know how" program; prepare the people for "putting into effect" the practical application of technical knowledge.

# LATIN AMERICA – REGIONAL PROJECTS

(EXCLUDING ARGENTINA)

| GENERAL | 1951 |
|---|---|
| AREA (1000 sq. miles) | 6,131 |
| POPULATION (Thousands) | 145,000 |

| INTERNATIONAL TRADE (Million Dollars) | 1951 |
|---|---|
| Total exports | 6,368.0 |
| Total imports | 7,400.0 |
| United States trade | |
| Exports to U.S. | 3,569.0 |
| Imports from U.S. | 4,813.0 |

UNITED STATES INVESTMENTS IN LATIN AMERICA *
(Millions of dollars)

| | 1950 |
|---|---|
| Direct private | 4,675.0 |
| Direct U.S. Gov't | 1,000.0 |
| Other | 1,320.3 |
| Total | 6,995.3 |

*Includes Argentina

PROGRAM COST BY FIELD OF ACTIVITY, FY 1952-53
(Thousand dollars)

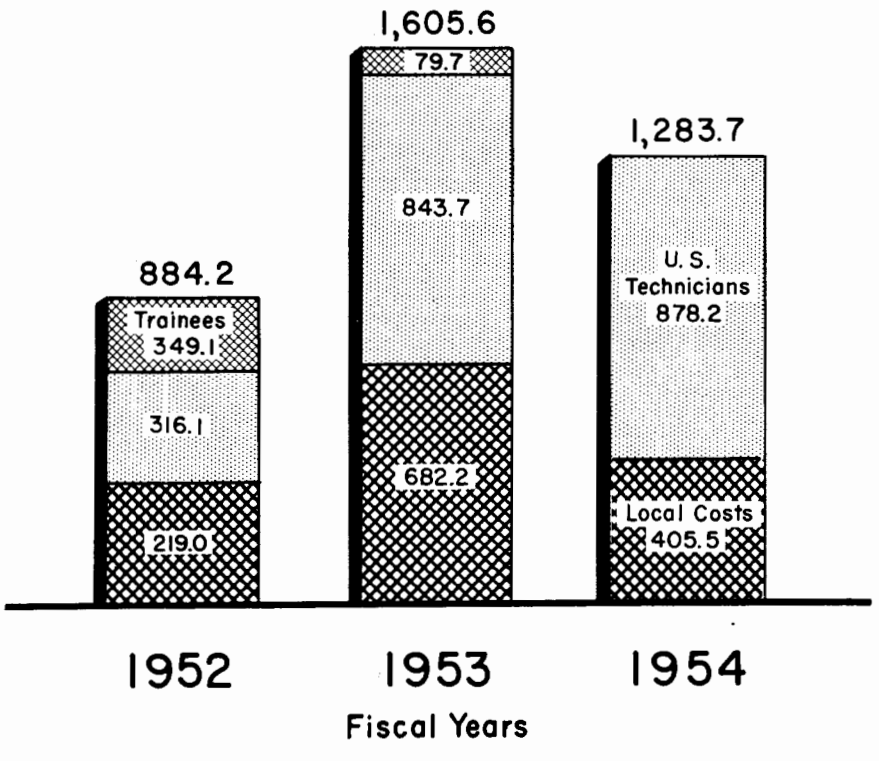
| Major Field of Activity | 1952 | 1953 |
|---|---|---|
| Agric., For., Fisheries | 288.9 | 509.5 |
| Health and Sanitation | 150.1 | 249.3 |
| Education | 283.4 | 120.5 |
| Natural Resources | - | 52.9 |
| Ind. and Labor | 32.6 | 228.3 |
| Transportation | 73.0 | 164.6 |
| Pub. Admin. | 22.0 | 162.5 |
| General Project | - | 65.0 |
| Domestic Program Costs | 34.2 | 53.0 |
| Total | 884.2 | 1605.6 |

DISTRIBUTION OF COSTS FOR FY 1954
(Thousand dollars)

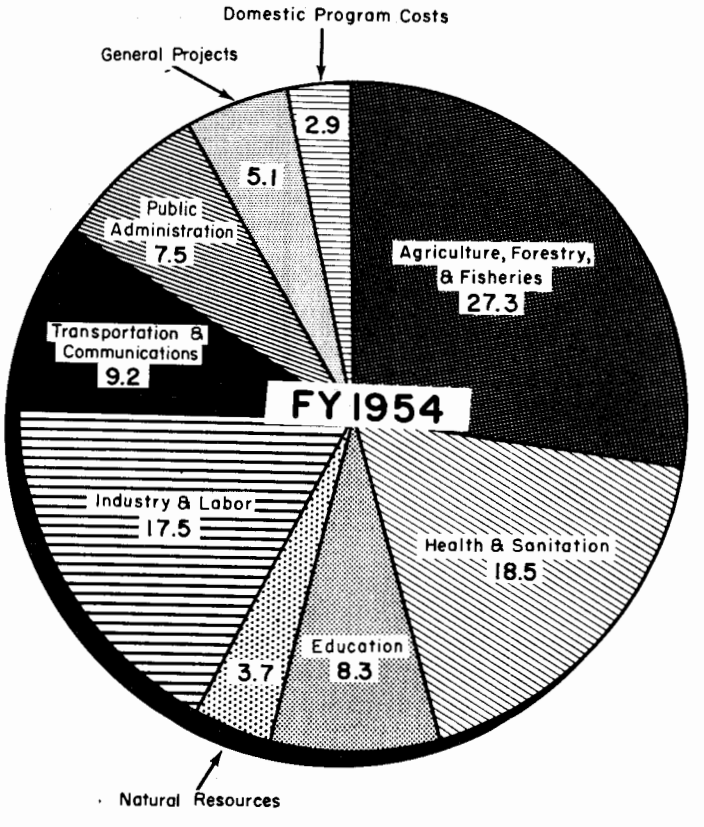
| Total | Technicians | Trainees | Supplies & Equipment | Local Costs |
|---|---|---|---|---|
| 350.1 | 265.0 | - | - | 85.1 |
| 237.8 | 130.6 | - | - | 107.2 |
| 107.0 | 68.5 | - | - | 38.5 |
| 48.0 | 35.5 | - | - | 12.5 |
| 223.9 | 95.2 | - | - | 128.7 |
| 117.6 | 101.8 | - | - | 15.8 |
| 96.5 | 88.8 | - | - | 7.7 |
| 65.0 | 55.0 | - | - | 10.0 |
| 37.8 | 37.8 | - | - | - |
| 1283.7 | 878.2 | - | - | 405.5 |

## COUNTRY PROGRAM BY COST FACTORS

(Thousands of Dollars)




## PERCENTAGE DISTRIBUTION BY MAJOR FIELD OF ACTIVITY



# MUTUAL SPECIAL WEAPONS PLANNING

The Mutual Security Program already provides modern effective equipment to our allies in the free world. New types of weapons, however, are now entering or approaching the stage of volume production. These special weapons will add greatly to the striking power of the forces equipped with them. The National Security Council has decided that increased emphasis will be placed on new and special weapons in our security program.

New and special weapons, by their very nature, do not lend themselves to the systematic development of requirements, screening of deficiencies, pricing, and production scheduling, to which the regular MDAP program is subject. The determination of requirements depends on further study and experience in the use and effectiveness of these weapons; the estimation of production costs and the scheduling of production requires further experience in production and in many cases final decisions as to specifications as well as decisions as to the volume of production to be initiated.

The amount requested for this purpose is consequently not scheduled to cover a specified list of weapons adding up to $100 million. Instead, this amount will be used to initiate procurement of special weapons as quickly as requirements can be established, production can be planned, and the necessary security considerations evaluated, to permit the President to determine the wisdom of initiating such procurement.

We are at the point where financial provision must be made to permit the planning of special weapons production to make allowance for requirements under the Mutual Security Program. Although actual expenditures during FY 1954 under this program are expected to be minimal, the firm availability of funds is essential to permit production and production planning on the proper scale.

The funds requested for this purpose are to initiate a program that may, in the longer term, yield a striking increase in the effectiveness of the forces we equip, in relation to the cost of such weapons.

# BASIC MATERIALS DEVELOPMENT

A. The Problem:

An increase in the production of basic raw materials and foods in non-dollar areas is required to achieve the essential security interests of the United States, as well as its economic objectives abroad. Africa is one of the most promising sources of additional supplies of industrial raw materials for Europe. Japan's economic strength will depend more largely on the development of Asian supplies. The whole free world faces the prospect that raw materials will become progressively scarcer in relation to inexorably increasing demands.

In Asia, the United States is trying through the Basic Materials Program to help avert two other dangers as well. Until new production and trade patterns have been developed in the Asian-Pacific area, the United States will face the alternative risks of having Japan fall under the control of Communist-dominated countries supplying raw materials, or of having to finance for many years an annual Japanese dollar deficit of hundreds of millions of dollars. Second, the social and political stability of all rice-importing areas will be precarious until, among other things, rice production is expanded in Southeast Asia.

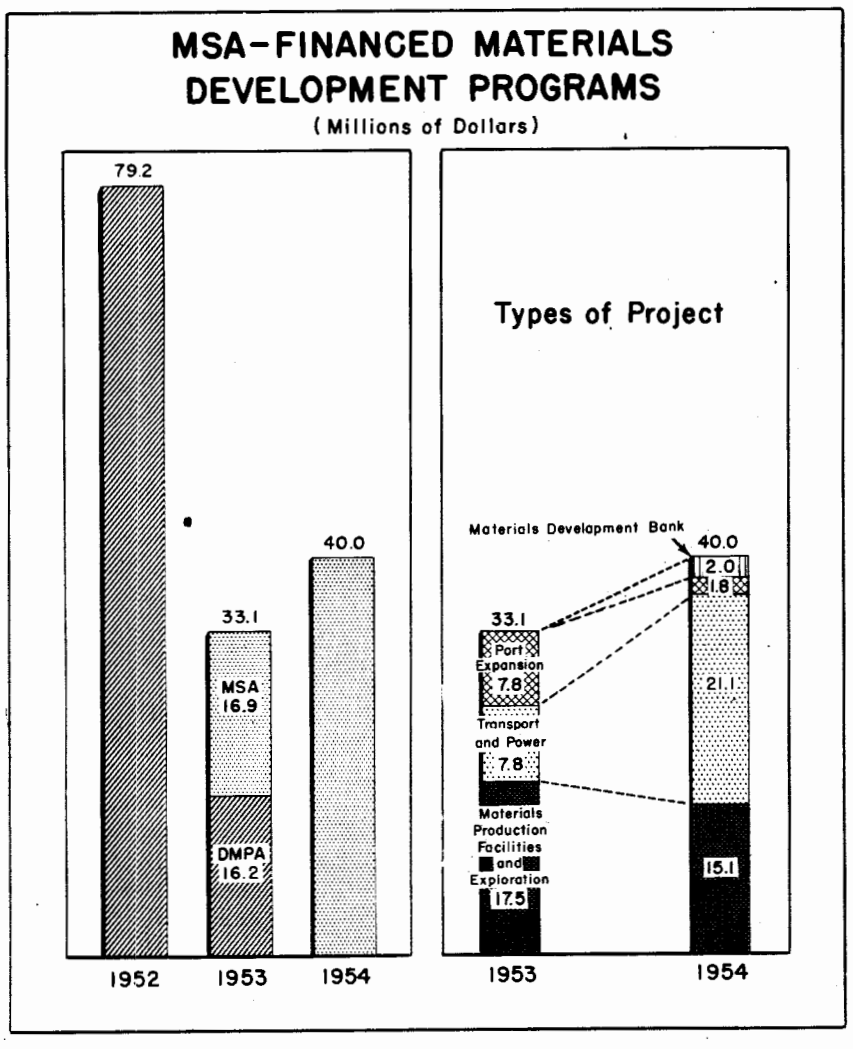
Development of basic materials in Asia and Africa will advance both U.S. security and economic interests in Europe by decreasing the dependence of Western Europe on the Soviet Bloc for materials and by expanding non-dollar sources of supply at competitive costs. The latter will help reduce Europe's need in the future either to expand trade markedly with Communist countries or to receive U.S. economic assistance.

B. The Program:

The Basic Materials Program can contribute to a solution of these major problems because such financing acts as a catalyst to get projects started, while the existence of such a fund enables the United States to help direct a much larger volume of investment funds. The Basic Materials Program supplements other sources for international financing (such as the ExIm Bank and the IBRD), and indigenous public and private investment, as well as other aid programs. In most instances, the United States will advance only a portion of the funds.

No basic materials funds will be used to finance projects which either the ExIm Bank or the IBRD is prepared to finance. However, in a world of inconvertible currencies, projects designed to stimulate trade between non-dollar areas will often be ineligible for dollar financing under the rules of the Banks, although they may be eminently bankable in terms of the prospect of their earning some kind of inconvertible currency.

The Basic Materials Program also rounds out individual country programs, which are in turn essential to the Basic Materials Program. Any program to develop raw material resources should start with a consideration of regional or global requirements for materials, but such a program can succeed in underdeveloped areas only as part of a larger program designed to benefit the people of the area involved.




The Basic Materials Program requires new obligational authority for $40 million, part of which will need to be converted into local currencies. It should be possible to lend local currencies in the DOT's with provision for repayment of local currency into the U.S. Treasury. However, a substantial part of the dollar funds will have to be made available on a grant basis, especially for project development and engineering in Asia.

The illustrative lists of basic materials projects for FY 1954 include a list of projects which total $40 million, selected on the basis of information currently available as those most likely to qualify for MSA financing in the amounts indicated. An additional $57.8 million of potentially good projects are also listed. The ratio of funds actually obligated in the Far East should be larger than that shown in the first illustrative list as development work is advanced in that area. In all areas, potential projects are regularly generated through the continuous process of exploration and developing market demand.

MSA funds are requested for FY 1954 only for Sec. 514 projects. Figures charted for FY 1952 and FY 1953 include strategic materials development for U.S. needs under Sec. 115(h) of the ECAct, as amended, (and under former Sections 115(i) and 117(a) of that Act), but exclude the purchase of materials for U.S. stockpile. Figures for FY 1953 (est.) do not include Sec. 514 projects totalling $15.2 million, still being considered by the Banks.

# ESCAPEE PROGRAM

The Escapee Program proposes in FY 1954 (a) to continue and enlarge its current activities concerned with improving the conditions of reception and care and opportunities for permanent resettlement on behalf of bona fide recent escapees from communism in Europe; and (b) to extend the geographic area of operations by limited projects in the Middle and Far East.

Since the inception of the program one year ago, substantial results have been achieved at a minimum cost to the Government. In Europe, care and maintenance activities are carried on in each of the major countries of first asylum, benefitting approximately 15,000 escapees through the provision of supplemental food, clothing, shelter, medical and dental care, sanitary facilities and amenity supplies. Resettlement is promoted by documentation, training, counseling and similar services performed in Europe, immigration opportunity searches undertaken in countries of resettlement, and the provision of funds for transportation of escapees qualifying for movement. By these methods 4,709 escapees had been resettled or were awaiting passage by June 1, 1953. U. S. assistance has directly brought about a marked improvement in the conditions of asylum and opportunities for resettlement offered escapees, and has also stimulated increased interest and contributions in this regard by local government authorities and voluntary agencies. The program has provided useful material for U. S. psychological and information programs. It has refuted Soviet propaganda which has in the past exploited inadequate conditions and the general neglect which greeted escapees on their arrival in the free world, and provided a basis for successful rebuttal in the General Assembly of Czechoslovak charges of subversion under the Mutual Security Act.

In FY 1954 a gross total of $9,540,000 is required for planned Escapee Program operations. A planned goal of 12,000 escapees will be resettled overseas from Europe during the year. At a per capita cost of $250 this phase of operations will amount to $3,000,000. Supplementary care and maintenance will be provided to an average escapee population of 28,000 at a per capita cost of $180, requiring $5,040,000. Estimates for FY 1954 are based on experience factors developed during the year in which the program has operated, and reflect a relatively greater emphasis on resettlement rather than maintenance activity.

Program activities were extended on a limited basis to South Asia and the Far East during the year under the authority of Section 303(a) of the Mutual Defense Assistance Act of 1949, as amended. Some 300 Kazakh refugees from Sinkiang Province who escaped to Kashmir are being assisted either to resettle in rural Kashmir or to move onward to Turkey. A select group of trained and educated refugees from China now stranded in Hong Kong will be assisted to resettle in suitable areas of the Far East under contractual arrangements with Aid Refugee Chinese Intellectuals, Inc. These activities serve U.S. national objectives by demonstrating continuing friendship and concern for the peoples under communist rule. In FY 1954 it is proposed to expand these activities along similar lines under Section 101(a)(1) of the Mutual Security Act of 1951, as amended, requiring a total of $1,500,000.

Program activities are carried on under carefully developed contractual arrangements with the several private voluntary agencies active in refugee assistance and resettlement work; under this arrangement the U.S. government staff is kept to the minimum necessary for program direction and to assure effective utilization of resources.

(This page may be declassified upon deletion of reference to contractual arrangements with Aid Refugee Chinese Intellectuals, Inc.)

# MUTUAL DEFENSE ASSISTANCE CONTROL PROGRAM

The Mutual Defense Assistance Control Act of 1951, Public Law 213, 82nd Congress, calls for a program of controlling exports to potential aggressor nations, particularly the Soviet bloc countries, so as to diminish the military potential of these countries for aggression. This objective is to be carried out by applying an embargo on the shipment of war materials and materials of primary strategic significance, and by regulating the export of commodities other than those embargoed. To effect these policies, a comprehensive action program has been developed to bring to bear every available direct, indirect, and supporting method of attaining the objective of trade security, which includes the following elements.

1. Determining commodity controls, involving: determining commodities to be embargoed; determining commodities to be subject to trade security regulation; providing for general export controls as economic countermeasures in support of United Nations action against aggressors; inducing programs of security controls by countries not receiving Mutual Security assistance; working with intergovernmental groups in determining commodity controls; negotiating with countries in connection with commodity and export controls; and determining exceptions to commodity controls, and determining the application of sanctions to enforce compliance with the objective of the program.

2. Enforcement of trade security controls, including: discovering and handling cases of attempted evasion of controls; rendering technical assistance to foreign countries on export control methods; effecting shipping and air cargo controls in support of trade security controls; effecting transshipment controls to prevent evasion of trade security controls; effecting financial or transaction controls in support of trade security controls; utilizing name intelligence for trade security control enforcement by administrative action against violators; and application of preclusive purchase and short-term denial approaches.

3. Indirect approaches and supporting activities, involving: developing economic action programs to effect decreasing reliance of cooperating foreign countries on trade with the Soviet bloc; liaison with United States export control programs to prevent export of goods from the United States that may afterwards cause MDAC trade security problems; development of programs for controlling export of technical data and knowledge; conduct of research and analysis activities as to economic and international trade factors underlying MDAC program operations; development of intelligence and compliance data; and conduct of staff supporting activities, including public reporting and psychological strategy activities, legal and legislative program activities, and management and administrative activities.

In carrying out this program, coordination with United States agencies is required and maintained, both on an external and an internal level. On the level external to the MDAC program, coordination is maintained with the other elements of the overall United States economic defense program, primarily the Commerce Department program for control of United States domestic exports to the Soviet bloc. Coordination is also maintained with broad over-all governmental functions, such as the United States intelligence effort, which contribute towards the accomplishment of this program. On the level internal to the MDAC program, coordination must be maintained with a number of governmental agencies which bear a relationship to the effort to control trade of foreign countries to the Soviet bloc. Both the specific terms of the MDAC Act and executive delegations of responsibilities by the President require the Administrator for MDAC to consult with appropriate agencies that can contribute useful advice on the complex problems under the MDAC programs, to maintain coordination among agencies that have a concern and interest affected by foreign trade control activities, and to work through agencies that have responsibilities for over-all governmental processes and operations which must be used in effecting the MDAC program. In addition to this, there is the fact that several agencies possess a specialized competence for research, analysis, production of data and other operations in economics, politics, military affairs, technical commodity aspects, and other fields. And since this specialized competence on the part of agencies bears a close operational tie-in to the above factors of required coordination, it becomes peculiarly appropriate to call upon the available services of these going concerns in the agencies by subcontracting work to them, instead of attempting to build up new duplicating and competing facilities.

# MUTUAL DEFENSE ASSISTANCE CONTROL PROGRAM

The plan of administration of the MDAC program, therefore, is based on a pattern of functional distribution which recognizes: (1) the single responsibility and authority of the MDAC Administrator for operation and accomplishment of the trade security control program with sole accountability for actions taken and results achieved, and (2) inter-agency participation in the MDAC program in terms of rendition of advice and consultation, presentation and representation of agency interests and viewpoints, and operation of over-all governmental functions which must be used in the MDAC program as well as contribution of specialized operational competence. The organizational structure for MDAC administration is composed of:

1. The Office of the Deputy Administrator for MDAC - This is the office under the Director for Mutual Security, which carries out the Director's responsibilities as Administrator for Mutual Defense Assistance Control. It is a small group of select specialists which coordinates and directs activities under the MDAC program and brings operations to a central focus under the MDAC Administrator for the discharge of his final responsibilities.

2. The Economic Defense Advisory Committee - This is an inter-agency mechanism for bringing together the representatives of agencies that are interested and involved in the MDAC program. It has under it: (a) an Executive Committee of staff specialists to prepare staff material and deal with day-to-day technical problems for the representatives on the EDAC; (b) Working Groups in various areas to develop recommendations and advise on matters affecting both the specific Battle Act and related economic defense programs. The functioning of the entire EDAC structure is limited to rendering advice, consultation and recommendations, presenting and representing agency interests and views, and developing studies, analyses and data in support of these functions.

3. Special Representative in Europe - The Special Representative in Europe has two MDAC units: (a) the Office of the Associate Deputy Administrator for MDAC/SRE - This office is responsible for coordination of regional aspects of the MDAC program in the European area; and (b) the resident delegate and United States delegation to the informal international trade control groups.

4. Economic Defense Panels - These are set up in various countries to coordinate the execution of the Economic Defense Program in the country. They are headed by a chairman, who is a senior United States officer designated by the Chief of the Diplomatic Mission in the country to assist the Chief in the supervision and coordination of the Economic Defense Program. The membership of a Panel is drawn from the United States officials serving in the country who can contribute to the accomplishment of the program. In countries where there is no formal Panel set-up, the Chief of the Diplomatic Mission has designated particular individuals to participate in the Economic Defense Program.

5. Special Joint Committees - These are: (a) the Intelligence Working Group to maintain coordination with the Intelligence Advisory Committee which considers the over-all United States intelligence program; and (b) the Joint Committee on Export Control Levels to maintain coordinating between EDAC and the Commerce Department's Advisory Committee on Export Policy.

The funds estimated for the MDAC program budget are calculated to finance expenses in the various agencies participating in the MDAC program over and above what is already covered by funds included in the normal agency operating budgets for MDAC-type activities. Thus there is included in the MDAC program budget only funds for new and intensified MDAC activity on the part of the agencies, over and above MDAC-type activities existing in the agencies at the time the MDAC Act was enacted. The staffs financed by the MDAC program budget in the Office of the Deputy Administrator for MDAC and the participating agencies are as follows:

# MUTUAL DEFENSE ASSISTANCE CONTROL PROGRAM

| Agency | | Number |
|---|---|---|
| Deputy Administrator for MDAC | | 29 |
| Mutual Security Agency | | |
| Departmental | 11 | |
| Special Representative in Europe | 5 | |
| Overseas Missions | 4 | |
| Total MSA | | 20 |
| State Department | | |
| Departmental | 17 | |
| Overseas Missions | 15 | |
| Total State Department | | 32 |
| Commerce Department | | 27 |
| Defense Department | | 13 |
| TOTAL | | 121 |

In the fiscal year 1953, the effort under this program has been to further develop and round out the working operations initiated midway in fiscal year 1952, so as to bring them to the point of highest possible effectiveness. Particular attention and effort have been paid to problems of application and enforcement of trade security controls, and to reporting on the program in response to requests from Congressional Committees and the National Security Council. The estimate for FY 1954 represents generally an extension of the FY 1953 expense pattern. However, expenses for FY 1954 are higher because of operations on a relatively full-year basis, while in the earlier part of FY 1953 operations were still in a state of development. The estimate for FY 1954 does not include funds to finance MDAC activities which up to now have been the financial responsibility of the various participating agencies. Indications are, however, that severe budget cuts in some of these agencies may force them to curtail activities and cut off personnel now contributing towards the accomplishment of the MDAC program. To the extent that this takes place, additional funds will be required in the MDAC program budget to finance these activities and personnel essential to the carrying out of the MDAC program. Adjustment will also be required in the organization for MDAC functioning in line with plans proposed for reorganization of the United States foreign operations.

# MOVEMENT OF MIGRANTS

Appropriation of $10,000,000 is requested for the United States contribution to the Intergovernmental Committee for European Migration (ICEM) in calendar year 1954. This request provides only for continuing the contribution in the same amount as originally appropriated, even though the program of the Committee anticipates a substantial increase in the number of migrants expected to be moved.

The Committee was organized at Brussels in December 1951, to carry out the intent of the Congress as expressed in Title I, Section 101(a)(2) of the Mutual Security Act of 1951 which reads: "Provided that not to exceed $10,000,000 of the funds made available pursuant to this paragraph may be utilized to effectuate the principles set forth in Section 115(e) of the Economic Cooperation Act (ECA) of 1948 as amended." The intent of Section 115(e) was to facilitate the movement of surplus manpower from Europe to other countries where such manpower could be utilized.

Sixteen governments established the Committee at Brussels and adopted plans to move in 1952 approximately 100,000 persons who would not otherwise be moved out of Europe. The Committee began operations on February 1, 1952. In the period from February 1 to December 31, 1952, the Committee moved 77,626 migrants and refugees out of Europe. As of the present, there are 22 government members of the Committee, including 12 Western European, 6 Latin American, and Australia, Canada, Israel and the United States. Additional governments, including Colombia, New Zealand, Spain and the United Kingdom, have shown interest in joining the Committee. The efforts of the United States during the past year to secure a wider participation in the Committee by other governments, therefore, have met with some success.

The United States contribution to ICEM for the calendar year 1953 program is $9,240,500, as authorized and appropriated by the 82nd Congress, 2nd Session. Of this amount, $2,147,000 is for contribution to the administrative expenditures and the remainder is for operating expenditures. Contributions to the administrative expenditures are obligatory upon member governments in accordance with an agreed percentage scale. The United States contribution to the administrative expenditures is 33 1/3%. Contributions to the operational expenditures are voluntary.

The Committee has approved a budget and plan of expenditures of $36,755,475 for the movement of 120,000 migrants during calendar year 1953. For calendar year 1954 the program calls for the movement of 140,000 migrants at a cost of approximately $40,400,000. Since the estimated programs for 1953 and 1954 were developed before the President's recommendation of April 22, 1953 to the Congress for emergency legislation to admit 240,000 additional immigrants to the United States during the next two years, the plan of expenditures does not reflect any changes which will result if such legislation is enacted. In carrying out its functions to facilitate the movement of migrants during 1954, ICEM will continue to work closely with government representatives of both the emigration and immigration countries, at the request of the government concerned, in developing and improving the processing and reception services which have a direct bearing on the volume of movements.

The costs of transport for a substantial number of the persons to be moved will be reimbursed to the Committee by the emigration and receiving countries. Some movements will be fully reimbursed, others partially reimbursed and the balance will take place at the expense of the Committee. For example, Germany, the Netherlands, and Canada jointly make complete reimbursements for all movements under the auspices of the Committee from Germany and the Netherlands to Canada. Brazil reimburses the Committee for the full cost of the movement of the head of the family. Other members of the family are moved to Brazil on the basis of partial payments by Germany and Italy, and otherwise at the expense of the Committee. The costs of processing migrants for movement is borne directly by the emigration countries and the costs of receiving them by receiving countries. The emigration and receiving countries receive credits for these costs as part of their contributions to the work of the Committee, although such contributions will not be paid in cash to the Committee.

Except in the case of two governments, Bolivia (not now a member) and Paraguay, the assessments of all government members for administrative expenditures have been paid in full. It is anticipated that this good record of payments will continue. Though political and economic difficulties of a temporary nature in certain immigration countries, particularly Canada and Australia, developed to reduce the expected number of migrants moved during its first year, the Committee did make an encouraging start. This initial accomplishment should increase and gain momentum substantially during 1953 and 1954.

The considerations that led to the United States taking the initiative to establish the Committee in 1951 are even more valid today. The grave economic and political problems stemming from excess populations in Western Europe and the influx of refugees from Soviet-dominated areas are of deep concern not only to member governments of the Committee, but to the member governments of NATO, the Council of Europe, and the other governments of the Western World. The leadership of the United States in promoting intergovernmental action to alleviate these problems has been warmly welcomed and widely supported by these organizations and governments. To be effective in alleviating these problems, the Committee must increase the overseas movement of migrants during the next few years. To this end, the energetic support of the Committee by the United States and other governments is essential.

# MULTILATERAL TECHNICAL COOPERATION

For fiscal year 1954, a total appropriation of $13,750,000 is requested for multilateral technical cooperation, of which $12,750,000 is for the United States contribution to the United Nations Expanded Program of Technical Assistance and $1 million for the Technical Cooperation Program of the Organization of American States.

United Nations Expanded Program of Technical Assistance

The $12,750,000 is requested to enable the United States to continue its support in fiscal 1954 of the technical assistance program carried out by the United Nations and the Specialized Agencies.

The United Nations Expanded Program of Technical Assistance, which was established in 1950 pursuant to a resolution of the General Assembly, is an international effort to enlist technical skills from many nations to help the governments and peoples of underdeveloped areas develop their economic resources. The experience and technical competence of the international organizations make them an effective instrument for carrying out this objective. The United States therefore joined with 54 other governments in making voluntary contributions to a special technical assistance program to be carried out by the international organizations for the benefit of underdeveloped areas. Because of the special nature of this program, it was evident that a larger proportion of contributions would have to come from the so-called developed countries than is true in the financing of the regular budgets of the international organizations. Recognizing the important role the program plays in economic development activities, The United States has supported it by contributing approximately 60% of total governmental contributions to the central account.

For the 18-month period July 1950-December 1951, 55 governments pledged $20,070,260 in support of the program; for calendar year 1952, 65 governments pledged $18,795,355; for calendar year 1953, total pledges from 67 governments amounted to $21,318,413 toward a goal of $25 million set for the year by the Economic and Social Council. For 1950-51 the United States pledge amounted to $12,007,500 and for 1952, $11.4 million. The Mutual Security Act of 1952 authorized $14,708,750 for the U. S. contribution to the calendar year 1953 UN program; at 60% of total pledges for calendar year 1953 the U.S. pledge amounts to $12,767,145. Of the authorized amount, $8,171,333 was appropriated. A request for additional funds in the amount of $4,595,812 is pending before the Appropriation Committees of the Congress and has been justified separately. This supplemental amount will permit full United States support for the calendar year 1953 program of the United Nations at 60 percent of total pledges for the period.

The program for 1954 has not yet been approved by the Economic and Social Council. The amount requested as the proposed United States contribution for 1954, $12,750,000, is based on the assumption of continuation of support from other governments at approximately the same level as in 1953.

The program now has almost 1,200 experts working in approximately 70 countries and territories. Over 1,500 requests for technical assistance have been received; 700 agreements have been signed by participating agencies and recipient governments. Almost 1,200 fellows are receiving professional training. Sixty-seven governments have pledged support of the program for calendar year 1953.

The United Nations Expanded Program is carried out by the United Nations and its Specialized Agencies; Food and Agriculture Organization; World Health Organization; United Nations Educational, Scientific and Cultural Organization; International Labor Organization; International Civil Aviation Organization; International Telecommunication Union; and the World Meteorological Organization. The International Bank for Reconstruction and Development and the International Monetary Fund cooperate in the program, although they do not receive allocations from the UN Special Account from which the Program is financed.

Technical Cooperation Program of Organization of American States

The $1,000,000 is requested for the United States contribution to the Technical Cooperation Program of the Organization of American States for the calendar year 1954.

# MULTILATERAL TECHNICAL COOPERATION

The program was established by resolution of the Inter-American Economic and Social Council on April 10, 1950. It began operations in January 1951 and consists entirely of regional projects. It is directed toward technical education and provides training, instruction and technical advice at regional training centers and educational institutions.

Nineteen governments pledged $1,279,001 to the program for calendar year 1951. Pledges by 18 governments for calendar year 1952 total $1,199,397. Pledges for 1953 now total $1,365,653. The United States has pledged $1,000,000 each year with the proviso that the U.S. contribution not exceed 70 percent of total contributions. On this basis, the United States contributed $882,143 to the calendar year 1951 program and $839,578 to the 1952 program; it is estimated that the United States contribution to the 1953 program will amount to $955,957.

The program for 1953 contains 11 projects. Six of these, which are continued from 1952, are in the fields of agricultural extension, cooperatives, housing, child welfare, economic and financial statistics, and animal husbandry. The last named project involves a research and diagnostic service, and demonstration and training center in hoof and mouth disease control. The five new projects to be undertaken this year include city planning, evaluation of natural resources and teacher training. The program for calendar year 1954, which will be approved by the Inter-American Economic and Social Council late in 1953, will probably continue many of the projects carried on in 1953 and will add new ones to the extent that funds allow.

The $1,000,000 requested for the U.S. contribution to the Technical Cooperation Program of the Organization of American States will permit the continuation of the program at approximately its current operating rate. In addition to the pledges and contributions referred to above, substantial contributions have been made by host governments in connection with the expenses of projects already in operation. These contributions are estimated at approximately $200,000 annually in services and supplies and at about $2,000,000 in lands, facilities and buildings.

# INTERNATIONAL CHILDREN'S WELFARE WORK

The appropriation of $9,000,000 is requested to enable the President to make contributions for the support of international children's welfare work for calendar year 1954.

The program of UNICEF is directed principally to assisting underdeveloped countries of Asia, Africa and Latin America in the development of permanent maternity and child welfare programs. UNICEF assistance takes the form of supplies, equipment, facilities and services, not locally available in countries where economic resources are limited, which are required to carry out these country programs. UNICEF resources are also available to provide emergency aid to children in those countries where catastrophes such as earthquakes, floods, droughts and typhoons strike.

The present authorization for United States contributions to UNICEF in the amount of $16,481,000 (Public Law 400, 82nd Congress) extends through the end of calendar year 1953. Of the amount authorized $6,666,667 was appropriated and has been paid to the Fund. A request for the remaining $9,814,333 is currently pending before the Appropriations Committees of the Congress and has been justified separately.

The Eighth General Assembly, which is to meet in the fall of 1953, will review the status of the Children's Fund and determine what its course will be after December 31, 1953. It is expected that the General Assembly will approve a program of international children's welfare work which is essentially the same as the current program of the Children's Fund. An appropriation of $9,000,000 as a contribution to such a program is requested.

If the United States contributes $9,000,000 toward the program for 1954, it is expected that the total contributions to the central account of the Fund will be approximately $15,000,000. This is based on the assumption that the governments currently contributing to UNICEF will be willing to continue to support a program of international children's welfare work at approximately their present level of support.

UNICEF aid has been concentrated on a few types of programs which deal with basic deficiencies in child care and, as a result, has been of immediate benefit to large numbers of children and mothers. Its supplies have been used for such purposes as child and maternity centers in rural areas; training of midwives and other non-professional personnel for rural centers; and mass campaigns against communicable diseases affecting children.

There are two types of government contributions which are made toward UNICEF programs:

1. Contributions to the central account of UNICEF for allocation by UNICEF for aid to children in the various countries requesting assistance. These funds are used principally to purchase supplies and equipment that are not manufactured locally or are otherwise not available locally, and, when required, to cover the salaries of international specialists.

2. Contributions in local currency and resources by assisted governments which are used in conjunction with the funds allocated by UNICEF from its central account. The local contributions are used mainly for such items as supplies which can be obtained locally, services of local personnel, buildings, and transportation.

When extending aid to a country from the central account, UNICEF usually requires the assisted government to make substantial contributions of its own toward each program. The amount of the local contribution is normally at least equal to and is often more than the amount of international funds assigned to a program. In 1952, for example, governments receiving aid contributed a total of $23.6 million in support of program allocations from the central account totalling approximately $13.5 million.

Since the inception of the Fund, 63 governments have contributed or pledged financial support to the central account of UNICEF. To date, UNICEF has allocated approximately $147 million from its central account to aid child health and welfare programs in 84 countries and territories. Currently, aid is being furnished to 69 countries and territories, and it will reach over 60 million children.

The Children's Fund is a concrete demonstration of the concern of the Free World in providing for the welfare of children in the underdeveloped countries whose own resources are limited to the extent that they must look elsewhere for assistance. It is in the interest of the United States Government, for political as well as humanitarian reasons, through its support of international children's welfare activities, to continue to cooperate with other governments in encouraging and assisting these underdeveloped countries in their efforts to develop permanent services for meeting the health, welfare and nutritional needs of their children.

# OCEAN FREIGHT - VOLUNTARY RELIEF SHIPMENTS

| Actual FY 1952 | Estimate FY 1953 | Estimate FY 1954 |
|---|---|---|
| $2,871,713 | $2,191,078 | $1,825,000 |

Under the authority provided in Section 117(c) of the ECA Act of 1948 and subsequently Section 535 of the Mutual Security Act, the United States Government has furthered the humanitarian activities of eligible American voluntary relief agencies by reimbursing ocean freight costs on relief supplies shipped to certain countries. These countries include "participating countries" under the ECA Act and by extension under the authority of Section 535 to any country eligible for economic and technical assistance. It was under this latter authority that payment of ocean freight on voluntary relief shipments to India during fiscal 1953 was possible. It is intended in fiscal 1954 to extend the subsidy program to Pakistan, the Arab States and Israel. In each instance, before expending United States funds for this program, an agreement is entered into with the receiving country providing that American representatives be permitted on the spot to supervise distribution, duty-free entry of the supplies, and the provision by the receiving government of inland transportation to the point of ultimate distribution.

This support represents a recognition of the value of people-to-people giving as distinct from government-to-government aid. It is a useful supplement to official aid programs of the Government in terms of the goodwill generated by these agencies whose work is made possible by the voluntary donations of the American public. These American voluntary agencies, through their constituencies, receive substantial quantities of gifts-in-kind such as used clothing, medical supplies, and food, including United States Government surplus commodities. Without the subsidy their limited cash resources which are used now to pay United States transportation and handling costs, would not permit them to deliver much of these donations to needy persons abroad.

The American agencies now receiving support under this program are: American Baptist Relief, American Friends Service Committee, American Friends of Austrian Children, American Jewish Joint Distribution Committee, American ORT Federation, Brethren Service Commission, Church World Service, Congregational-Christian Service Committee, CARE, Foster Parents' Plan for War Children, Greek War Relief Association, International Rescue Committee, Lutheran World Relief, Mennonite CentralCommittee, Near East Foundation, The Salvation Army, Save the Children Federation, Unitarian Service Committee, United Lithuanian Relief Fund of America, and War Relief Services of National Catholic Welfare Conference.

The subsidy on parcel post packages sent by individuals in the United States to individuals abroad, which was previously part of this program, has been progressively reduced in previous years, and was terminated on March 31, 1953.