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Foreign Operations Admin.

Press Releases

for

1954 - 1955

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FOREIGN OPERATIONS ADMINISTRATION
WASHINGTON 25, D.C.

For Immediate Release

FOA TO BRING ADDITIONAL EUROPEAN SCIENTISTS TO U. S. FOR STUDY AND RESEARCH UNDER NATIONAL ACADEMY OF SCIENCES

WASHINGTON, September 20 -- The Foreign Operations Administration today announced the extension of the present Scientists Research Project, increasing the number of scientists from 150 to 185.

The Scientists Research Project extends an opportunity to young post-doctorate scientists from Europe to study and do research, for a period of one to two years, in American research institutions.

In extending the Scientists Research Project and allocating an additional $350,000 for administration, FOA indicated that the project would contribute to the long-range economic development of the free world and help achieve a better international understanding.

Responsibility of the project is vested in the National Academy of Sciences-National Research Council, leading organization of scientists. The Academy, which is chartered by Congress as a non-profit corporation, will continue to develop the project.

The project was originally requested by the Organization for European Economic Cooperation as one means of strengthening European science and promoting European understanding of the methods used to translate research resources into production techniques. In making its request the OEEC indicated a high regard for the manner in which these methods have been developed in the United States. It expressed the belief that the study would "be of great advantage to European countries in increasing productivity."

The officials of OEEC and scientific organizations in Austria, Belgium, Denmark, France, Germany, Greece, Iceland, Italy, Luxembourg, The Netherlands, Norway, Portugal, Turkey and the United Kingdom will be approached by National Academy of Sciences and by FOA officials regarding the expansion of the project.

Candidates in each country will be selected by scientific organizations cooperating with the NAS with assistance from the European National Productivity Centers, the FOA, and U.S. Embassies.

The scientists will spend some time in applied science research laboratories to experience the close relationship in America between fundamental research and industrial application so characteristic of productive enterprise in America.

Most of the scientists will be selected in the fields of chemistry, physics, mathematics, geology, biology, agriculture and engineering -- areas in which the basic research may be applied to production with the greatest potential gains.

The bases on which the scientists will be selected include: possession of a doctoral degree in science from a recognized institution of higher education, or equivalent experience; evidence of experience at a level equivalent to that for which application is made; and adequate proficiency in English. A written statement will be required in which the applicant promises to return to his country and apply his training for at least two years.

Most of the scientists selected will be chosen on the basis of competitive selection procedure, although some will participate by invitation.

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9/20/54

UNCLASSIFIED ~~SECRET - Security Information~~

FOREIGN OPERATIONS ADMINISTRATION
Washington 25, D. C.

October 30, 1953

Dear Mr. Ohly:

There is attached, for review by the Bureau of the Budget, an appropriation request in the amount of $416,483,000 for "economic and technical assistance" and "special economic assistance" for the countries of the Near East, South Asia, and Africa.

The following is a comparison of the 1955 appropriation requests and the 1954 appropriations:

1. Section 203 - Economic and Technical Assistance, Near East and Africa

1954 Appropriation - $33,792,500
1955 Request - $49,500,000

The 1954 appropriation applied only to the Arab States, Israel, and Iran in the Near East and the three independent African countries of Ethiopia, Libya, and Liberia. For these same countries the 1955 request is approximately $33,900,000. Approximately $15,600,000 additional is being requested for technical assistance for the DOT's in Africa -- a program financed in prior years from Title I funds.

2. Section 206 - Special Economic Assistance Near East and Africa

1954 Appropriation - $147,000,000
1955 Request - $166,983,000

The 1954 appropriation has been divided, administratively, into two major parts: (1) $135,000,000 for Iran, Israel, and the Arab States; and (2) $12,000,000 for the DOT'S.

For 1955, $150,000,000 is being requested for (1) and $15,000,000 for (2). An additional $1,983,000 is being requested for Iran to round out a basic program of the same size and character as the programs

Mr. John H. Ohly,
Deputy Director for Program and Planning,
Foreign Operations Administration,
Washington, D. C.

~~SECRET - Security Information~~

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in fiscal years 1953 and 1954. The special economic assistance program for Iran, Israel, and the Arab States is the subject of a separate paper to be transmitted later, the program for the DOT's is included in the attached document. The $1,983,000 item for Iran is included in the Iran program statement included in the attached document.

3. Section 302(a) Economic and Technical Assistance Asia and the Pacific

1954 Appropriation - $62,100,000 New Obligational Authority ($51,278,001 of new funds)
1955 Request - $53,485,000

The 1954 appropriation applied to Indonesia, the Philippines and Thailand in addition to the South Asian countries covered in the 1955 request. $38,100,000 of the $62,100,000 1954 money is attributable to the same countries for which $53,485,000 is being requested in 1955.

4. Section 302(b) Special Economic Assistance, India and Pakistan

1954 Appropriation - $75,000,000
1955 Request -$149,515,000

The complete justification and explanation of the Title III programs are included in the attached document.

Sincerely,

Norman Paul
Acting Regional Director
Near East, South Asia and Africa

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1955

373	5/19	Montanari	Rise in coal exports in noted by Stassen.
374	5/20	Sullivan	Guatemala to get surplus corn.
375	5/23	Sullivan	$246,000 grant to help Haiti repair damage from hurricane.
376	5/24	Sullivan	LA highway officials to attend FOA-sponsored seminar.
377	5/24	Montanari	Vultee sworn in as director of U.S. nato mission branch.
---	5/25	STATE DEPT.	US, Pakistan sign investment guaranty agreement.
378	6/1	Sullivan	Mass immunization of cattle in surinam reported success.
379	6/2	Sullivan	FOA brings Paraguayan educators to US to study rural education
380	6/2	Sullivan	First technical cooperation pact with Jamaica is signed.
381	6/3	Day	Korea gets 5,100-ton ship under Mutual Security Act.
382	6/7	Montanari	National Biscuit Co. issued guaranty on venture in Italy.
383	6/15	Sullivan	Invention by U.S. technicians seen boon to coffee producers.
384	6/15	Barkley	Pan American to help bolster Turkish air transport system in FOA project.
385	6/16	Sullivan	Technical cooperation agreement with British Honduras is signed.
386	6/17	Day	First FOA aid to Kenya financed largely from UK food purchases
387	6/21	Day	FOA contracts with U. of Calif. for assistance to Indonesian school.
388	6/22	Sullivan	FOA-N.Mex. A&M contract to assist Pakistan's Sind college.
389	6/24	Day	FOA sending team of businessmen to Japan for productivity drive
390	6/23	Day	SMU law dean due in Korea to confer on proposed FOA-aided legal center.
391	6/24	Sullivan	US executives to participate in Mexican management seminar
392	6/27	Sullivan	FOA approves further food, development aid for Bolivia.
393	6/27	Sullivan	FOA training program to assist Paraguayan farm-to-market road
394	6/28	Day	FOA providing $6.5 million to help Thailand launch 'northeast highway'.
395	6/29	Barkley	FOA to help Lebanon finance modern Beirut-Damascus road.
396	6/30	Sullivan	FOA makes available $903,000 for road program in Bolivia.
397	6/30	Caldwell	Presidential determination calls for aid continuation.

END FOA

346	Sullivan	4/5	Vaccine is rushed to Surinam by FOA.
347	Caldwell	4/6	Memorandum by Stassen in heaings before Senate Subcommittee and letter sent to Chairman of the Committee on April 4.
348	Day	4/6	FOA to aid Japan with new program.
349	Hughes	4/6	FOA guaranty awarded Socony-Vacuum oil co.
350	Barkley	4/7	FOA to aid Pakistan with civil aviation.
USIA No. 94		4/7	Stassen's press conference conducted by USIA.
351	Barkley	4/14	$10 million loan agreement is signed by Greece and FOA.
352	Barkley	4/15	M. Leon Dayton resigns as FOA chief in Turkey.
353	Montanari	4/15	FOA announces $12.6 grant to Yugoslavia
354	Barkley	4/19	Stassen names New Yorker as FOA chief in Ethiopia. APPOINT
355	Day	4/19	Cambodia to get FOA aid in building New Highway.
356	Todd	4/20	Paul Named Stassen's Deputy for Congressional Relations.
357	Day	4/24	Educators to meet with FOA officers.
358	Barkley	4/22	$20 million loan agreement is signed by Turkey and FOA.
359	Montanari	4/26	Rubottom named director of Mission in Spain. APPOINTMENT
360	Day	4/26	BACKGROUND INFO FOR PRESS ON THAILAND.
361	Day	4/26	Role of U.S. colleges stressed to educators.
362	Day	5/2	FOA allots $980,000 for Vietnam project.
363	Montanari	4/29	Broadway producer and writer named to job with Spain. APPOINTMENT - Richard S. Aldrich.
364	Caldwell	4/29	Arc of Free Asia.
365	Day	5/3	Thailand-Indiana U. sign an FOA contract.
366	Montanari	5/5	UK to buy $73.9 million of US surplus commodities.
367	Barkley	5/9	US to help Pakistan expand airline system.
368	Barkley	5/9	Gen. Riley named Director to Turkey. (APPOINTMENT)
369	Sullivan	5/11	Latin American seminar.
370	Barkley	5/11	Cedric Seager named FOA regional director (APPOINTMENT).
371	Sullivan	5/11	Hardesty elected President of Inter-American Institute.
372	Barkley	5/16	Bell named US aid director in Pakistan. (APPOINTMENT)
8x	Caldwell	5/11	Attachment of charts used by Stassen in his opening statement before the Senate Foreign Relations Committee.

7

321	Day	3/13	$48 million allotted by FOA for Formosa.
322	Day	3/14	Stassen names Walling FOA chief in Cambodia (APPOINTMENT)
~~323~~	~~Barkley~~	~~3/16~~	~~$20 million loan made to Pakistan~~
323	Caldwell	3/11	Note to correspondents on telegram from Connaughton on spanish locomotives (~~copy of incoming telegram attached~~) (letter from Fitzgerald)
~~324~~			
324	Barkley	3/16	$20 million loan made to Pakistan.
325	Caldwell	3/17	Stassen gives figures on 1956 Mutual Security program.
326	Sullivan	3/18	US-Brazil finance programs in health.
327	RWilson	3/19	Stassen endorses plan on reserves.
328	Sullivan	3/22	Corson appointed FOA head in Ecuador (APPOINTMENT)
329	Barkley	3/22	FOA makes India $45 million laon.
330	Sullivan	3/22	Polio expert sent to Uruguay by FOA.
331	Hughes	3/24	FOA-Australia announce clearing house service.
332	Montanari	3/24	Background information on Scelba.
333	Wilson	3/25	Escapee program has its 3rd anniversary.
334	Hughes	3/25	FOA's guaranty program now includes Guatemala.
335	Barkley	3/28	FOA chief ½ named for Afghanistan APPOINTMENT (SNYDER)
336	Barkley	3/28	FOA names directors for Iran and Jordan (APPOI½ GREGORY and NELSON)
337	Sullivan	3/28	Iowan named fo chief in Dom, Republic (RALPH WILL)
338	Day	3/29	703,119 leave North Vietnam.
339	Day	3/30	FOA calls women leaders to assembly on refugews.
340	Barkley	3.31	foa-nebraska continuing Turkish college project.
341	Hughes	3/31	FOA's gurarnty program is extended to Ecuador.
342	Caldwell	3/31	Statement by Gov. Stassen before the senate subcommittee for investigation.
343	Montanari	4/1	"Marshall Plan" 7th anniversary.
344	Caldwell	4/1	Stassen reports to congress on shipments to soviet bloc.
--- -	-----	4/1	Letters from Stassen to Sen. McClellan on Pakistan grain storage.
345		4/4	$32 million loan to Iran.

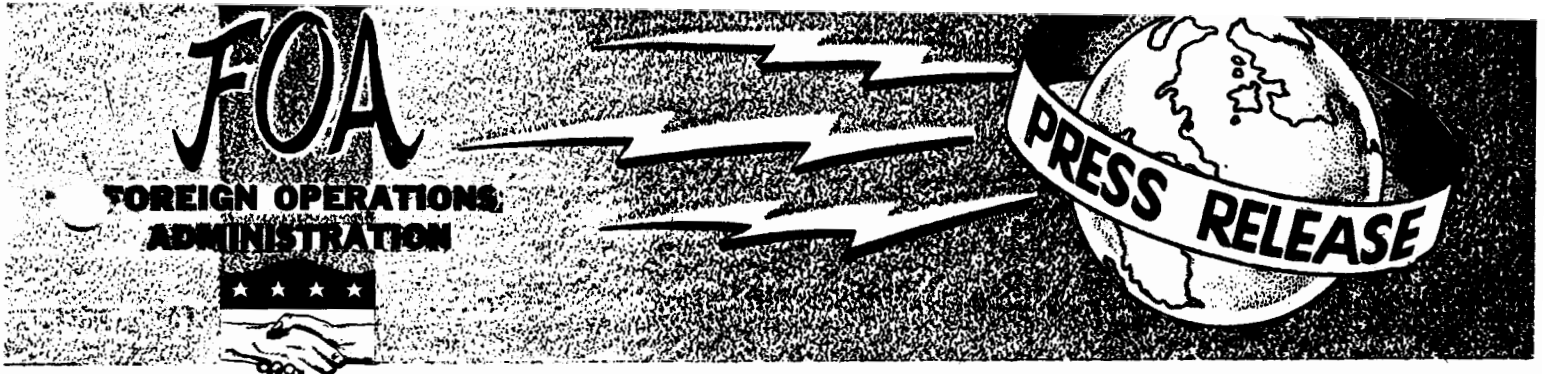
FOA 297	Sullivan	2/16/55	FOA aids Latin America Agricultural Institute
FOA 298	Barkley	2/17/55	FOA-Egypt sign loan agreement
FOA 299	Hughes	2/20/55	Technical Cooperation Film now Available for Showings
FOA 300	Caldwell	2/17/55	Stassen to leave on Far East Trip
FOA 301			
FOA 302	Day	2/22/55	FOA givws more aid for Formosa harbor
FOA 303	Day	2/23/55	FOA will make available $7 million for Indonesia
FOA 304	Barkley	2/24/55	$23,337,000 alloted to Egypt by the FOA
FOA 305	Sullivan	2/26/55	FOA continues health program in Ecuador
FOA 306	Day	3/1/55	FOA to aid Thailand with health program
FOA 307	Day	3/1	Palmer named deputy chief of FOA mission in Vietnam
FOA 308	Sullivan	3/2/55	Jandrey appointed FOA chief to Denmark. APPOINTMEN
FOA 309	Hughes	3/3/55	Westinghouse electric international compnay gets investment guaranties on Formosa plant.
FOA 310	Barkley	3/5/55	FOA-Egypt to increase joint health programs.
FOA 311	Sullivan	3/4/55	Chicagoan to head FOA study mission.
FOA 312	Barkley	3/7/55	FOA names DAWSON to Greek mission. APPOINTMENT .
FOA 313	Hughes	3/7/55	Chicago paint firm gets FOA guarantee.
FOA 314	Sullivan	3/6/55	Warne, shifting from Iran, is named director of FOA's mission in Brazil. APPOINTMENT.
FOA 315	Day	3/8/55	FOA to aid Thailand with health program.
FOA 316	Day	3/9/55	$100 million set by FOA for 3 Indochina nations.
FOA 317	Sullivan	3/10/55	Brazilian technical studies available at Document center.
FOA 318	Sullivan	3/10/55	FOA chiefs from LA to hold 5-day meeting.
FOA 319	Barkley	3/13/55	GORDON appointed FOA's head in Libya. APPOINTMENT
FOA 320	3/11/55	WilsonR	Semi-annual report to congress.

FOA 269	Montanari	1/4/55	Overseas railroad men to study U.S. methods.
FOA 270	Caldwell	1/5/55	Appointment of Wolf Ladejinsky. (APPOINTMENT)
FOA 271	Montanari	1/6/55	Group to appriase FOA work in Spain. (headed by Ingles)
FOA 272	Montanari	1/9/55	Timmons named to head Mission in France (APPOINTMENT)
FOA 273	RWilson	1/10/55	Stokes named to FOA post (APPOINTMENT)
FOA 274	RWilson	1/10/55	Stassen, Burgess, Waugh to Paris to attend OEEC.
FOA 275	1/11/55	Sullivan	Columbia Teachers college to help Mexican education.
FOA 276	1/13/55	Sullivan	University of Florida will assist Costa Rica.
FOA 277	Sullivan	1/13/55	University of California to help Chilean education.
FOA 278	Day	1/15/55	Educational group is created by FOA.
FOA 279	Day	1/14/55	U.S. sends coal to free Vietnam.
FOA 280	Caldwell	1/18/55	Statement by Stassen on Ladejinsky
FOA 281	Day	1/19/55	FOA to aid Thailand in highway building
FOA 282	Barkley	1/19/55	CIO leader named FOA labor adviser (SNELL) APPOINTMENT
FOA 283	Barkley	1/21/55	Edwards is named FOA labor deputy(APPOINTMENT)
FOA 284	Day	1/24/55	FOA is stresing education's role Stassen declares.
FOA 285	1/25/55	Sullivan	U.S. increases aid to Bolivia.
FOA 286	Sullivan	1/26/55	Background information for the press on Haiti.
FOA 287	Hughes	1/28/55	FOA insures Bank's loan in Istanbul.
FOA 288	Montanari	1/30/55	Connecticut businessman named to FOa paris post (MINOT)
FOA 289	Day	1/31/55	KOREA to acquire u.s. army stock with FOA's grants.
GSA-FOA		2/1/55	Joint release on freight cars to ~~India~~ NEA.
FOA 290	Hughes	2/3/55	California firm obtains FOA investment guaranty.
FOA 291	Sullivan	2/4/55	University of Florida will assist Nicaragua.
FOA 292	Hughes	2/7/55	Philadelphia company obtains foa guaranty.
FOA 293	Sullivan	2/7/55	Stassen taps Friele for foa post in Brazil. APPOINTMENT
FOA 294	Day	2/7/55	FOA boosts dollar help to Philippine Industry.
FOA 295	Barkley	2/10/55	FOA and Israel in $15 million loan agreement.
FOA 296	Montanari	2/11/55	FOA allots $15½ million for Italy's development.

244	12/2/54	Stassen names new head of Afghanistan mission (SNYDER)
245	12/2/54	20 million for Greece in FOA aid.
246	12/4/54	Idaho University to aid two colleges in Ecuador.
247	12/7/54	N.C. State college to aid Peru in agriculture field.
248	12/7/54	Albanian escapees to arrive in U.S.
249	12/13/54	Connecticut official named to India post (HOUSTON)
250		
251	12/10/54	FOA allots $33 million for Indochinese States.
252 (Day)	12/16/54	Indiana University to help Thailand's teacher college.
253 (Day)	12/14/54	FOA in Japan (Clarence Meyer)
254 (Val)	12/15/54	Van Dyke is appointed as FOA regional deputy.
255 (Day)	12/17/54	U.S. Plans increase in help to Thailand.
256 (Sull)	12/17/54	FOA allocates $3 million for highway in Guatemala.
257 (Todd)	12/17/54	Connecticut Lawyer FOA Deputy Counsel (LEONARD SACCIO)
258 (John)	12/21/54	Report on Brazil announced by FOA.
259 (John)	12/22/54	Texas A&M to aid Mexican school under arrangement with FOA.
260 (Val)	12/22/54	Yugoslavia to receive more U.S. bread grain.
261 (Paul)	12/22/54	FOA helping India with malaria curb.
262 (Val)	12/23/54	Carter De Paul named FOA director in Laos.
263 (Bill)	12/27/54	Michigan company awarded foa investment guarantee
264 (John)	12/29/54	Illinois U. to assist Colombia with housing.
265	12/30/54 (Paul)	Texas college to aid Liberia in education.
266 (Bob)	12/31/54	Stassen New Y4ar broadcast on VOA
267 (Bob)	12/30/54	Mrs. Jane M. Spaulding becomes FOA consultant.
268 (Val)	1/2/55	Minneapolis banker named to FOA position in Italy (HILL)

No. 224	10/30/54	FOA and China to share cost of building $20 million fertilizer plant on Formosa.
No. 225	11/1/54	Univ. of Michigan to help Mexican school.
No. 226	11/2/54	FOA's Director for refugees to inspect European centers.
No. 227	11/2/54	Iran gets $127.3 million in U.S. loans and grants.
No. 228	11/4/54	FOA contracts with International group to train Foreign ~~pblix~~ police officers in U.S.
No. 229	11/4/54	FOA disaster relief set for Haiti farms.
No. 230	11/4/54	Surplus U.S. wheat being sent to Libya.
No. 231	11/4/54	FOA standardizes procurement rules in revised regulation.
No. 232	11/5/54	Dr. Ronald Bridges heads FOA study group to Libya.
No. 233	11/10/54	FOA establishing separate missions to conduct U.S. Operations in Cambodia, Laos and Vietnam.
	11/8/54	Summary on Economic Program for the Americas, IDAB report.
No. 234	11/12/54	Stassen names Geo. Hackney of NY to head FOA ~~pa~~ program in El Salvador.
No. 235	11/16/54	Regional meeting for FOA ~~affiliat~~ directors in Near East, South Asia and Africa.
No. 236	11/17/54	Santa Cruz area seen Bolivian ~~a~~ food source.
No. 237	11/16/54	North Carolina State agrees with FOA to help Peru train textile engineers.
No. 238	11/16/54	European FOA chiefs to meet in Paris with Wash. officials.
No. 239	11/18/54	FOA completes appointment of Labor advisers for world's major regions.
No. 240	11/22/54	53rd College contract to be financed by FOA. N. Cal. & Oregon
No. 241	11/23/54	FOA ocean freight subsidy of $4.8 million moves $70.4 million worth of supplies to 16 countries.
No. 242	11/26/54	$92 million allotted for Korea's economy.
No. 243	11/30/54	FOA designates MACAULAY head of Mission in Br. Guiana.

No. 201	9/30/54	New Orleans school to assist Lebanon in vocational education.
202	9/30/54	FOA sends Barrows to head Indochina mission; names Drake to top mission post in Greece.
No. 203	10/3/54	Stassen appoints Thorne mission Director in Belgium.
No. 204	10/4/54	Texas business man to head FOA's european activities. URSCHEL
No. 205	10/4/54	University of Minnesota contracts with FOA to help in development of Seaul University.
No. 206	10/5/54	Stassen names Taylor as FOA area labor adviser in Europe.
No. 207	10/6/54	FOA to establish mission in Japan with Clarence Meyer as Director. additional information on McCaffery attached.
No. 208	10/8/54	N.Y. University will assist Ankara Univ. on FOA project.
FOA. 209	10/11/54	FOA sends engineers to Thailand to plan $7.5 million "Northeast Highway" project/
No. 210	10/12/54	FOA promotes Tuthill to post of Mission Director in Germany.
No. 211	10/14/54	Background information on Liberia. (TUBMAN)
No 212	10/19/54	Stassen to spend 10 days in Europe.
No. 213	10/20/54	FOA names new director of mission in Portugal. (OLSON)
No. 214	10/20/54	Adm. Moncy appointed by FOA as mission chief in Costa Rica.
No. 215	10/21/54	Washington lawyer named FOA director in Ecuador. (COLEMAN)
No. 216	10/23/54	Oregon University to aid Nepal in Education field.
No. 217	10/22/54	FOA authorizes $2 million for flood relief in Nepal.
No. 218	10/25/54	FOA rushes food by airlift to hurricane stricken Haiti.
No. 219	10/28/54	McCaffery to replace Meyer Nov. 1 as Director of FOA Mission to Austria.
No. 220	10/28/54	FOA representative to attend Near East irrigation conference.
No. 221	10/31/54	Simplified investment guaranty rules expected to stimulate flow of private capital abroad.
No. 222	10/31/54	Stassen names Huntington Gilchrist consultant on FOA European Program
No. 223	10/31/54	FOA supports livestock research project by Univ. of Penna. in Mexico.



FOA No. 200

ADVANCE RELEASE for A.M. Papers of
Thursday, September 30, 1954

Hughes
Office of Public Reports
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Rm. 417, 806 Conn. Ave., N.W.

UNIVERSITY OF PENNSYLVANIA TO AID
PAKISTAN SCHOOL UNDER FOA CONTRACT

WASHINGTON, September 29 -- FOA announced today that the University of Pennsylvania will assist the University of Karachi, Pakistan, in establishing an Institute of Public and Business Administration.

Pennsylvania's Wharton School of Finance and Commerce will maintain a staff of five professors for at least three years in Pakistan under the project financed by the Foreign Operations Administration. The University of Karachi will send selected educators to the United States for a year's advanced study at the Wharton School in the teaching of business and public administration.

FOA is authorizing $300,000 to cover expenditures during the first year of the contract. The Government of Pakistan is also contributing substantially to the project.

Dr. G. Wright Hoffman, professor of insurance and marketing in the Wharton School and director of its Securities Research Unit, will head the overseas party and will be its insurance specialist. He is scheduled to leave for Karachi on October 3.

Other members, expected to arrive in Karachi in late October and early November, are Henry F. Goodnow of Penn's Institute of Local and State Government, who will direct work in public administration; Dr. Hillard Cox, chief of the Industry-Occupations Division of the U.S. Department of Labor and former head of the management department of Louisiana State University, as industrial management specialist; and John P. Lutz of Wharton's finance department, as specialist in finance. A fifth member to be named will direct work in accounting.

Additional temporary consultants may be sent from the United States from time to time as needs arise. An American librarian may be required initially in connection with the Institute's plan to establish a library.

This newest contract is one of 44 agreements negotiated with 36 U.S. colleges and universities to carry out FOA Director Harold E. Stassen's

plan for expanded use of the talents and services of American colleges in the U.S. program of technical cooperation. These contracts link the U.S. schools with universities in 24 nations of Asia, Africa, Europe and Latin America.

With the signing of the University of Pennsylvania contract, four American universities are now working with Pakistani universities in technical cooperation partnerships. Earlier contracts link Washington State College with the University of Punjab in West Pakistan; Texas Agricultural and Mechanical College with the University of Dacca in East Pakistan; and Colorado Agricultural and Mechanical College with the University of Peshawar, located in the capital city of Pakistan's northwest frontier province.

The University of Karachi, located in Pakistan's capital, was established three years ago, embracing a number of separate colleges already in existence. The University now has a small faculty of commerce corresponding in a general way to a school of business. Around this nucleus the two cooperating universities will establish the new Institute of Public and Business Administration.

While the Wharton group hopes to complete its work in three years, it is expected that a cooperative relationship between the Universities of Karachi and Pennsylvania will continue into later years.

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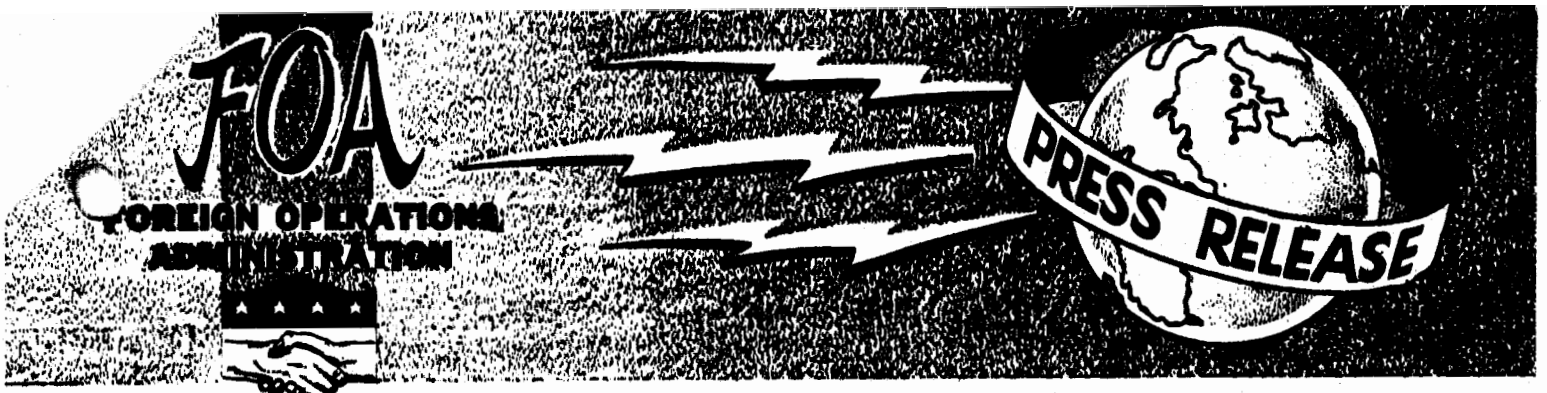

FOA No. 201

Barkley
Office of Public Reports
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Rm. 417, 806 Conn. Ave., N.W.

For Immediate Release

NEW ORLEANS SCHOOL TO ASSIST
LEBANON IN VOCATIONAL EDUCATION

WASHINGTON, Sept. 30 -- An agreement under which the Isaac Delgado Central Trades School of New Orleans, a municipally-owned and operated institution, will assist the Lebanese Government in its stepped-up vocational education program was announced today by FOA.

The agreement is another move in the program of the Foreign Operations Administration to assist free nations of the world to develop and expand their educational and training facilities through technical cooperation from American schools and colleges.

FOA has signed a three-year contract with the New Orleans school, providing that Delgado send a seven-man staff of technical education experts to work with the Lebanese Arts and Trades school at Beirut, capital of Lebanon.

One of the factors in the choice of Delgado for the project was the fact that the New Orleans school can provide technical instructors who speak French, which has been the most widely-used second language in the Arabic-speaking country.

Signing of the contract brings to 37 the number of educational institutions cooperating with FOA under Director Harold E. Stassen's plan for greater use of the talents and services of U.S. schools in the agency's technical cooperation program.

FOA's technical cooperation with the Government of Lebanon began in 1951. An integrated country-wide program went into effect in 1953, emphasizing increasing food and water supplies, vocational and technical training assistances, rural health centers, and training programs for public health nurses. An industry institute also has begun servicing small Lebanese industries.

Lebanon is a thickly populated country, predominantly agricultural, lying on the eastern shores of the Mediterranean. On its 4,000 square miles live 1,320,000 people.

An expenditure of $130,000 has been provided for the first year of the project.

The staff the Delgado school will send to Beirut will include technical training experts in the fields of automotive repair and maintenance, hotel services, radio-electronics, the printing arts, commercial art and commercial education.

The staff will be headed by Dr. Nelson A. Hauer, who will be on leave from Louisiana State University at Baton Rouge, where he has been head of the Department of Industrial Education. Other members of the seven-man team are being recruited.

Dr. Hauer is scheduled to arrive in Washington October 4 for conferences with FOA's officials and is expected to arrive in Beirut around October 11.

FOA said training in auto mechanics and hotel service trades has formed part of the vocational education program in the Lebanon school for some time, but technical training in radio-electronics, the printing arts and commercial art will represent comparatively new fields, and will open new educational opportunities in Lebanon.

U.S. assistance in commercial education training by the Delgado team also will be an important part of the program in that English is beginning to become a more widely used auxiliary business language in the country.

The American training in auto mechanics will be important in view of the fact that the Lebanon school recently added American equipment to improve the quality of instruction in this field.

In addition to the American training experts who will go to Beirut, the contract also provides for the Delgado school to give advanced training to selected members of the faculty of the Lebanon school who will be sent to New Orleans.

Approximately 1200 students and 100 teachers are expected to receive training in Lebanon under the program.

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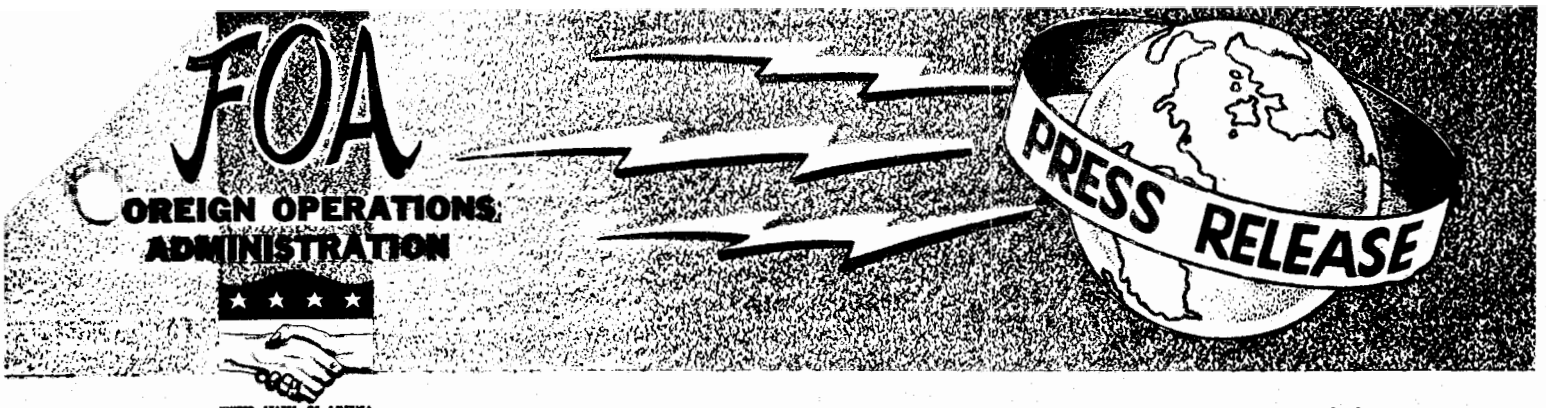

FOA No. 203

ADVANCE RELEASE for A.M. Papers of
Monday, October 4, 1954

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no

STASSEN APPOINTS THORNE
MISSION DIRECTOR IN BELGIUM

WASHINGTON, October 3 -- The promotion of Landon K. Thorne, Jr., deputy director of the U.S. Operations Mission to Italy, to the post of director of the Mission to Belgium-Luxembourg, was announced today by Harold E. Stassen, director of the Foreign Operations Administration.

Thorne succeeds Huntington Gilchrist, who is leaving Brussels after almost four years there as head of the U.S. economic program under ECA, MSA and FOA, and who will now serve FOA as a consultant.

Thorne, a New York business management and financial consultant before joining FOA, has served in Rome since July of last year. His new appointment will be effective November 1. Gilchrist, a former executive of the American Cyanamid Company, will return to Washington in December, following a vacation in Europe, to make his final report on the activities of the Belgium-Luxembourg Mission.

FOA's program in Belgium-Luxembourg which Thorne will direct centers in the field of industrial productivity. While high gold and dollar reserves have enabled the area to stand on its own feet independently of U.S. economic assistance during the past three years, Belgium's dependence on foreign markets, together with increased foreign competition, has forced government and industry toward greater efforts to modernize industrial facilities and methods.

FOA is continuing to aid these efforts, which are coordinated by the National Productivity Center, by handling arrangements for the exchange of technical information and acting as liaison between government and industry in Belgium-Luxembourg and American private institutions. Arrangements for visits of technical and labor experts both to and from the United States are also facilitated, as part of the U.S. program conducted through the Mission, when such exchanges promote significant projects such as the modernization of defense plants. The program which Thorne will direct in Belgium - Luxembourg also includes promotion and encouragement of private American investment in that country. This is an area to which Thorne has devoted considerable effort in Italy.

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A member of the European Coal and Steel Community and a ratifier of the European Defense Community, Belgium has been a consistent supporter of the economic and military integration of Europe. For its size, Belgium is making a substantial contribution to the North Atlantic Treaty Organization (NATO). Luxembourg's major contribution to the western defense effort is the efficiency of its steel industry. This tiny nation also is contributing a small unit to the NATO forces.

Before his appointment to the deputy director's post in Rome, Thorne had been a business management and financial consultant in New York for several years. He had been president of the Vorac Company and a director of Nejelski & Co. and Walter P. Jacob Industries, all of New York.

His previous business experience included five years as a securities analyst with the Bankers Trust Company, specializing in the commodity and public utility fields. He left this position in January, 1941, to serve for five years in the United States Navy.

In that service, he acted as special assistant to the late Admiral Marc A. Mitscher, and later was in radar work in San Diego, the Hawaiian Islands and on several ships in the Pacific for three years, prior to being assigned to the United States Embassy in London. His final assignment before going into inactive service in December, 1945, with the rank of commander, was in the office of the Chief of Naval Operations. Thorne received an individual citation for his fighter-control radar work on the aircraft carrier Hornet.

Thorne, whose home is at Bay Shore, Long Island, N.Y., was born in New York in 1912, and attended the Pomfret (Conn.) Preparatory School. He received a B.A. degree from Yale University in 1934, and studied law at Columbia University for two years before joining the Bankers Trust Company. He is married to the former Miss Alice Barry, daughter of the late Colonel David Barry and Mrs. Barry of 16 Kalorama Circle, N.W., Washington, D.C. They have three children.

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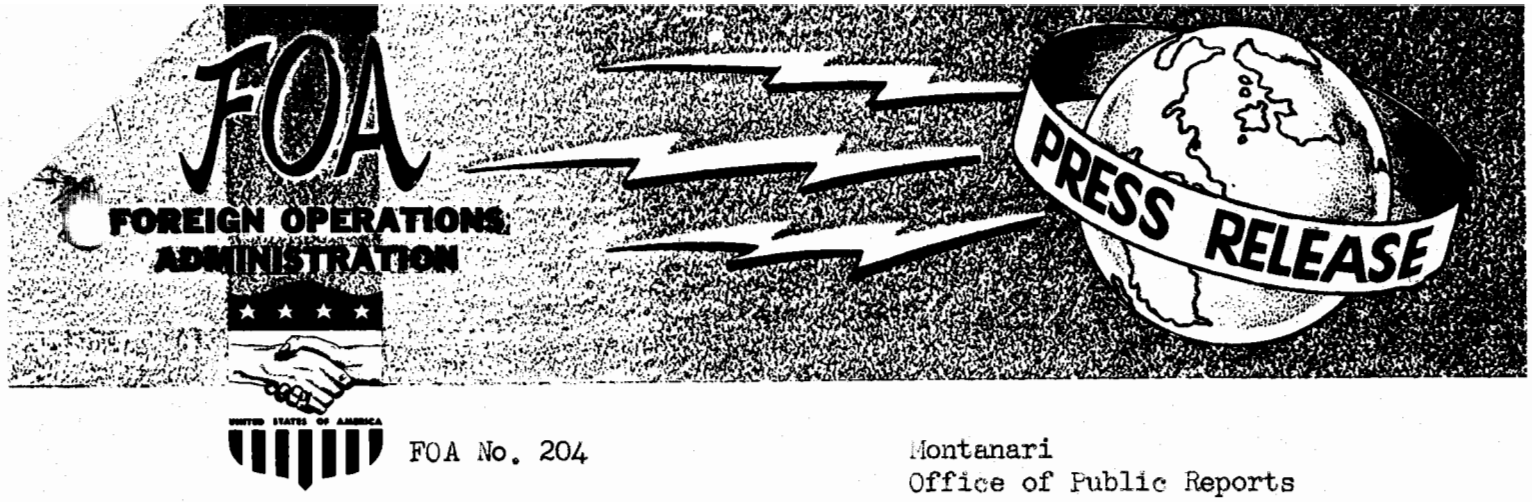

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For Immediate Release

10/5

Texas Corporation

TEXAS BUSINESS MAN TO HEAD
FOA'S EUROPEAN ACTIVITIES

WASHINGTON, October 4 -- Charles F. Urschel, Jr., prominent Texas oil and gas producer, air freight service official and automobile distributor, has been appointed FOA Regional Director for Europe, it was announced today by Harold E. Stassen, director of the Foreign Operations Administration.

Urschel, who will be sworn in at 10 a.m. on Tuesday (October 5), will succeed Walter M. Ringer, who has directed the FOA program in Europe for a year. Ringer had left his post as chairman of the board of the Foley Manufacturing Company of Minneapolis in January, 1953, to serve at Stassen's request in an evaluation of the mutual security program. He led a team of four businessmen who made an on-the-spot study of the program in Denmark.

On announcing Urschel's appointment, Stassen pointed out that Ringer had originally agreed to serve with FOA for a year, and that, as he had actually been away from his private business interests longer than that, he could not make further demands on him at this time.

"I am accepting his resignation with considerable regret, as Walter Ringer has shown great devotion to his task of directing FOA activities and missions in Europe," said Stassen. "He took over this job as FOA was reorganized, and he is leaving a smaller but more effective FOA team in this area, which is so important to the strength of the free world."

Ringer will remain with FOA as a consultant to accompany Stassen and Urschel to Paris about October 20 for meetings of the directors of the U.S. Operations Missions in Europe and of FOA productivity experts in the area. On his return, he will resume his activities as board chairman of the Foley company, but will be on call for special assignment as consultant for FOA.

The Regional Director for Europe is responsible for Missions in Austria, Belgium-Luxembourg, Denmark, France, the Federal Republic of Germany, Italy, The Netherlands, Norway, Spain and Yugoslavia.

The new Regional Director is the managing partner of the Slick Urschel Oil Company, president of the Upton Gas Products Company, and part owner of the Hewgley Drilling Company, all of Texas. He helped to organize these firms and has supervised the development of large oil and gas properties in West Texas.

He is a director, and former vice president and treasurer, of Slick Airways, Inc., commercial cargo airline operating transcontinental routes in the United States between the Northeast, Midwest, Far West and Texas areas. He is also sole owner and manager of the Inter-Continental Motors Company.

Urschel served in the U.S. Army during World War II in several countries of the European Theater. As a Field Artillery officer, he was senior aide to Major General John B. Anderson. He was released in the fall of 1945 with the rank of lieutenant colonel, after four years of active service.

When he entered Army service in 1941, he had begun his career in the petroleum industry as a partner and organizer of the Slick-Urschel Oil Company, after previous experience in the geological and accounting departments of the Transwestern Oil Company of Oklahoma.

A native of Pittsburgh, Pennsylvania, Urschel attended Dartmouth College for two years, transferred to Leland Stanford University and received an A.B. degree there in 1939. He married the former Miss Mary Elizabeth Hails. Mr. and Mrs. Urschel, who live at 140 Devine Road, San Antonio, are both active in civic and charitable organizations and are prominent members of the community.

Ringer, who organized the Foley Manufacturing Company in 1926 and was its president until 1951, served the United States Government during World War II as assistant and acting regional director of the War Production Board and in various advisory posts.

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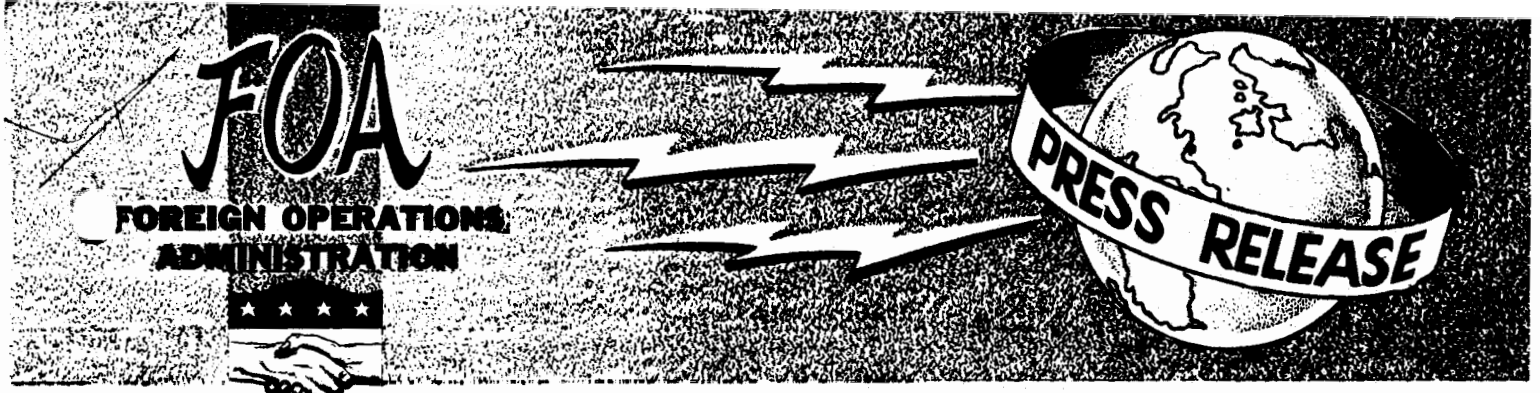
10/4/54



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ADVANCE RELEASE For A.M. Papers
of Tuesday, October 5, 1954

UNIVERSITY OF MINNESOTA CONTRACTS WITH FOA
TO HELP IN DEVELOPMENT OF SEOUL UNIVERSITY

WASHINGTON, October 4 -- The University of Minnesota will work in a "sister relationship" with the National University of Seoul for the next three years, under terms of a contract between the Minnesota school and the Foreign Operations Administration, it was announced today.

The Republic of Korea Government and the Seoul University have approved the project, under which FOA has authorized the expenditure of $750,000 from fiscal 1954 funds for the first year of operations. A cost of $1,800,000 is anticipated for the three-year period.

The University of Minnesota colleges of agriculture, engineering and public health will help the Seoul University to strengthen and develop its education and research programs in engineering, agriculture, medicine, nursing and public health. The Seoul University will be rehabilitated, and its classrooms and laboratories equipped with modern teaching aids and laboratory equipment. The university's buildings were devastated in the Communist war, and its laboratories looted.

Korea has a dearth of well-trained scientists, and higher education has lagged for nearly half a century. A start at rebuilding had been made when the Communists invaded the South, and now a new start must begin.

Last winter Dr. Harold Macy, Dean of the Minnesota College of Agriculture; Dr. A. F. Spilhaus, Dean of the Minnesota Institute of Technology, and Dr. Gaylord W. Anderson, Dean of the College of Public Health, spent several weeks in Seoul conferring with Korean authorities in preparation for the execution of the contract.

The contract will send to Korea senior and junior faculty members of the University of Minnesota, and it will bring to the Minnesota campus for periods of six months to a year some of the senior and junior faculty members from Seoul University, as well as a number of Korean under-graduate and graduate students.

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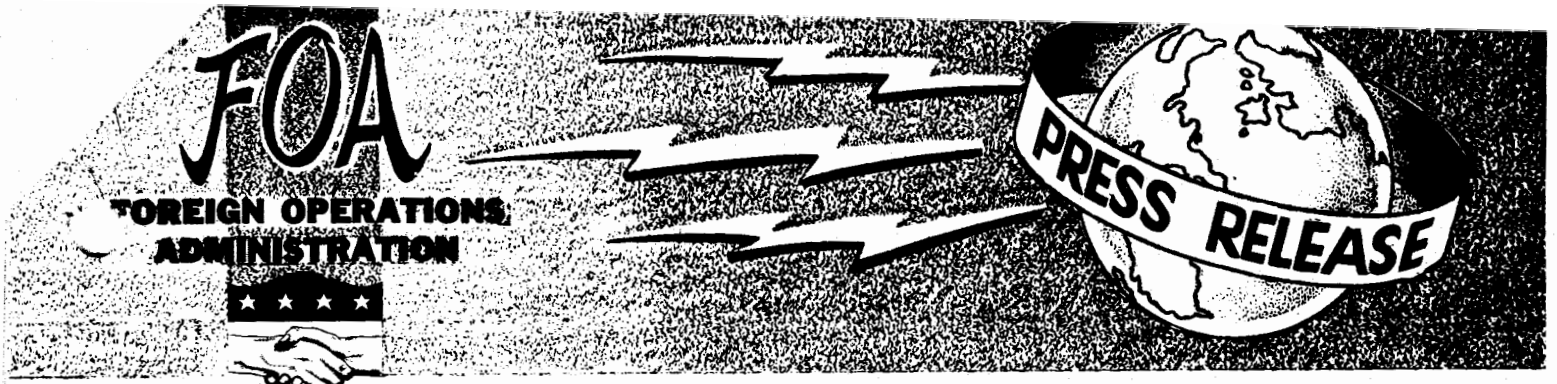

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For Immediate Release

STASSEN NAMES TAYLOR AS FOA
AREA LABOR ADVISER IN EUROPE

WASHINGTON, October 5 -- Barney B. Taylor, assistant director of public relations of the United Automobile, Aircraft and Agricultural Implement Workers (CIO), has been appointed FOA Area Labor Adviser for Europe, it was announced today.

Taylor, who has also been managing editor of the UAW's official monthly publication, the United Automobile Worker, has been active in labor affairs for more than 15 years. He was appointed by Harold E. Stassen, director of the Foreign Operations Administration, on the recommendation of FOA's Labor Committee, which is composed of leaders of AFL, CIO and railroad brotherhood organizations.

As Area Adviser, with headquarters in Paris, he will coordinate the efforts of the FOA Labor Advisers in the 10 European Operations Missions in strengthening free labor unions, in developing opportunities for inter-country cooperation on labor matters, promoting the concept of productivity and generally working toward the unity of free labor in Europe.

One example of growing inter-country cooperation consists of the measures being taken by the Coal and Steel Community (Schuman Plan) to eliminate national immigration barriers which have prevented workers displaced from jobs in marginal enterprises from crossing national borders to accept new employment.

Another example is a multi-country agreement dealing with social security benefits for bargemen on the Rhine River, who work under various national jurisdictions.

Taylor has held the UAW positions at the union's Detroit headquarters since 1948. Besides his labor activity in Detroit, he has served for more than a year as a member of the Economic Development Commission of the State of Michigan, to which he was appointed by the Governor.

(more)

Before he joined the UAW, Taylor was organization director of the National Farm Labor Union (AFL).

He served for more than three years as an infantry officer in the U.S. Army during World War II, receiving the Bronze Star, two Purple Hearts and the Distinguished Service Cross for action in the Normandy invasion with the 90th Infantry. After several months of hospitalization while recovering from his wounds, he became chief of the press division of the Information Section of the Army Ground Forces and was retired for disability in 1945 with the rank of Captain.

A native of Belton, Texas, Taylor attended the public schools there and Texas Agricultural and Mechanical College. He was on the staff of the Washington Post from 1934 to 1941. He was elected president of the Washington Newspaper Guild in 1941 and also became its first executive secretary. He was named international representative of the American Newspaper Guild in 1942.

Taylor is married to the former Miss Laura Smith of Norman, Oklahoma, and they have two children. Their residence is at 16,826 Inverness Avenue, Detroit.

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10/5/54

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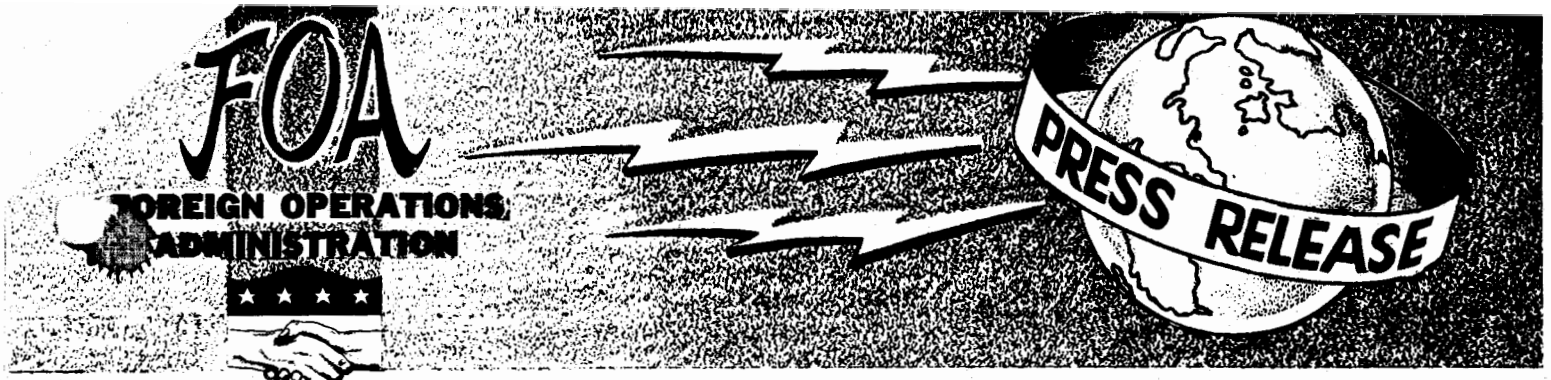

FOA No. 207

For Release in A.M. Papers of
Thursday, October 7, 1954

Day
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FOA TO ESTABLISH MISSION IN JAPAN
WITH CLARENCE E. MEYER AS DIRECTOR

WASHINGTON, October 6 -- A small U.S. Operations Mission is to be established in Japan, Director of Foreign Operations Harold E. Stassen announced today.

Director of the Mission and Minister for Economic Affairs of the U.S. Embassy will be Clarence E. Meyer, who is being transferred from Austria where he has headed U.S. economic and technical missions since 1951.

Frank Waring, Economic Counsellor of the Embassy in Japan, will serve also as Deputy Director of the Mission. The remainder of the staff will be made up of personnel of the Department of State and the Foreign Operations Administration, thus establishing an integrated mission similar to those in a number of countries. The FOA operations mission in Japan will function under the leadership of the Ambassador, as is true in all countries.

Staffing arrangements are being completed now and the Mission is expected to begin operations by December. Before proceeding to Tokyo to assume his new duties, Meyer will return to Washington for consultation.

This year's Mutual Security legislation does not specifically provide any direct programs for economic assistance to Japan, but it has been determined that Japan qualifies for the purchase of surplus farm commodities under the Agricultural Trade Development and Assistance Act.

A wide variety of uses of the foreign currency which would be received by the U.S. in payment for agricultural commodities is provided under the Act. The Japanese Agricultural Surplus program has been under examination within the U.S. Government on the basis of informal approaches by Japan, and it is expected that formal negotiations will commence shortly.

Meyer, formerly a director of Standard Vacuum Oil Company, has spent many years in the Far East. After his graduation from Syracuse University, he joined

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Standard Vacuum and spent his entire career with the company except for two years during World War II when he served as a petroleum attache with the U.S. Embassy in London.

In 1913 he went to Hong Kong, and later worked in Shanghai, Foochow and Canton. He was transferred to Japan in 1935, and a year later advanced to the post of general manager. Meyer was named as a director of Standard Vacuum, with responsibility for many of the company's activities in the Far East, following his two years of service as a petroleum attache with the Embassy in London. In 1946 he was made a vice president of the company, and retired in July 1950.

For a short time before the Communist invasion of Korea, Meyer headed the Economic Cooperation Administration's mission to Korea, and was appointed Director of the Mission to Austria in February 1951. His home is in Springville, N.Y.

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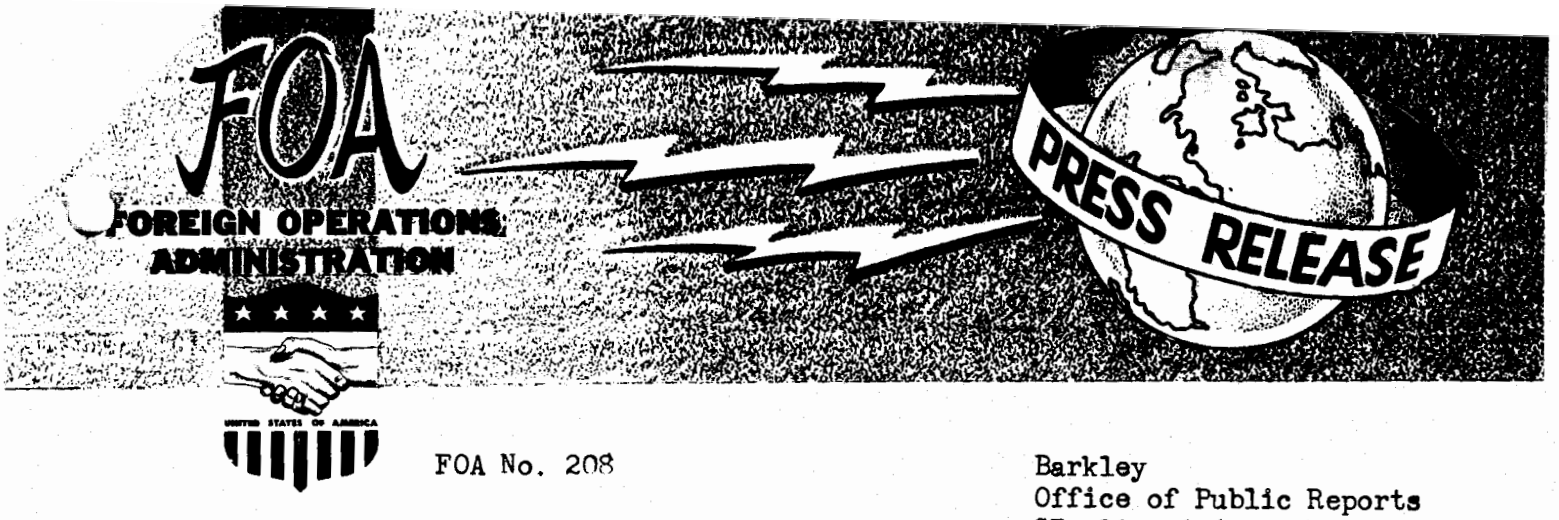
Richard S. McCaffery, Jr., of New York City, has been appointed Director of the U.S. Operations Mission to Austria, the Foreign Operations Administration announced today. He will succeed Clarence E. Meyer, who is being transferred to Tokyo to head the new U.S. Operations Mission to Japan.

McCaffery has been Special Economic Adviser to the Director of the U.S. Operations Mission to Spain since mid-1952. Since 1948 he has been associated with the U.S. economic program, ~~[redacted]~~ in Washington, ~~[redacted]~~ and Paris, at the time of his transfer to Spain, he was Special Assistant to the Director of the ~~[redacted]~~ Office of the U.S. Special Representative to Europe, in Paris.

McCaffery holds degrees from the University of Wisconsin, in mining engineering, and Columbia University, in architecture. For 10 years ~~[redacted]~~, he was a partner in a New York City architectural firm, ~~[redacted]~~ From 1942 to 1945 he was a member of the U.S. Mission for Economic Affairs in London.

NOTE: This announcement was made in an out-of-the-ordinary way. In the late afternoon of Wednesday, Oct. 6, 1954, we were advised by John J. Grady that McCaffery had just been cleared by State Department, and that Meyer was anxious that announcement of his successor be part of the release announcing his own (Meyer's) appointment. Our release on Meyer had already gone to the press. In the circumstances, we asked the two ticker services to advise reporters that FOA wished to insert the McCaffery announcement in its Meyer release (see copy attached).

B. Hughes
10/7/54



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For Immediate Release

NEW YORK UNIVERSITY WILL ASSIST
ANKARA UNIVERSITY ON FOA PROJECT

WASHINGTON, October 8 -- FOA today announced the signing of a contract with New York University for assistance to the University of Ankara in Turkey in extending and improving its educational program in public administration.

The project calls for New York University to send a staff of about 15 American educators to Ankara and bring to the United States for study and observation of U.S. practices Turkish professors and Government officials whose work is directly related to the development of the program.

The Foreign Operations Administration has authorized the expenditure of $301,202 during the first year of the three-year contract. FOA funds for the three year period of the cooperative program are estimated at $878,600.

Negotiation of the contract followed a visit to Turkey last summer by Dr. William Ronan, dean of the New York University School of Public Administration who conferred with Turkish educational officials. Turkish officials also have visited this country in connection with the negotiations.

The agreement is the 48th negotiated with a United States college or university to carry out FOA Director Harold E. Stassen's plan for expanded use of American educational institutions in the U.S. program of technical cooperation with friendly nations. It is the first one signed with New York University and brings the total number of educational institutions now participating in the program to 40.

This is the third contract under the program to benefit Turkey. Georgetown University, Washington, D.C., is conducting a program of English language training there, while the University of Nebraska has an FOA contract to assist the Turkish Government in setting up a new educational institution, Attaturk University.

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Under the newest contract, the New York University staff at Ankara will assist the University to develop its program of public administration, to improve instruction methods, to aid in organizing in-service training programs for Government officials and evening and part-time courses, and in aiding in establishing a program for training teachers of office management and secretarial duties for the nation's public school system.

New York University also will assist Ankara University in establishing a legislative research bureau to conduct studies of Turkish law and legislation.

It is expected that the New York University staff will be leaving for Ankara during this month and November.

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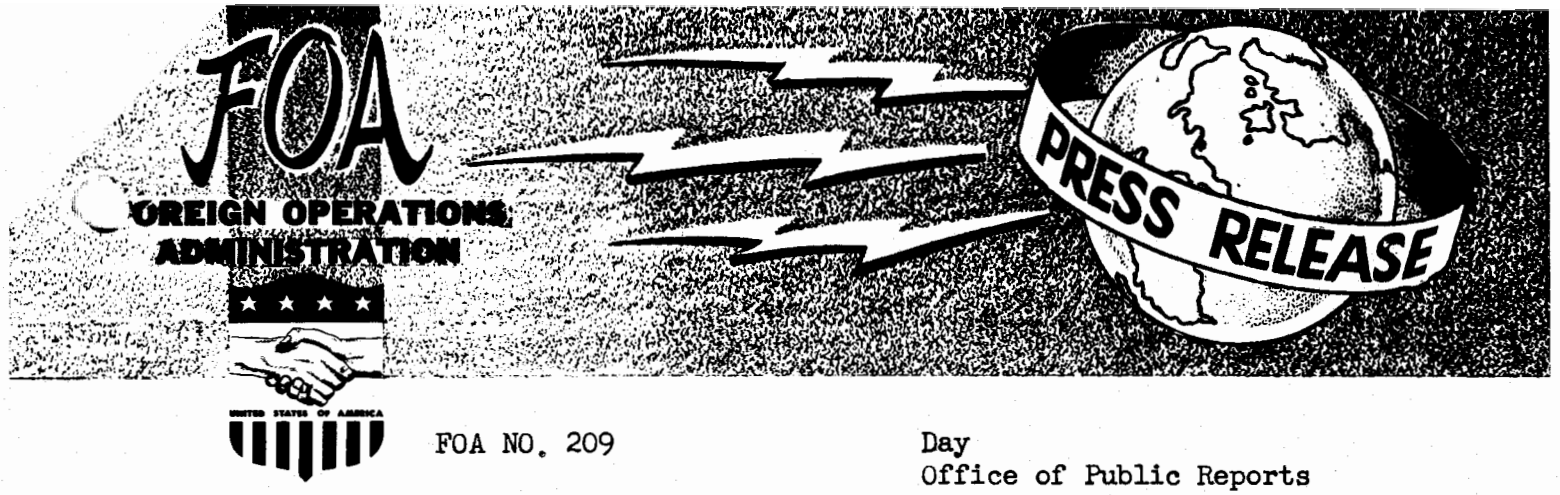
10/8/54



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For Immediate Release

FOA SENDS ENGINEERS TO THAILAND TO PLAN
$7.5 MILLION "NORTHEAST HIGHWAY" PROJECT

WASHINGTON, October 11 -- The Governments of Thailand and the United States are moving rapidly with preparations to start construction before the end of this year on a modern highway to link Bangkok and the isolated Northeast provinces.

Called the "Northeast Highway," it will cost an estimated $7.5 million and is scheduled for completion by the end of 1955. It will run from Saraburi, near Bangkok, to Ban Phai 200 miles northeastward in the heart of the backward Northeast Plateau, passing through Korat, the Northeast's principal city.

Thailand concluded a preliminary contract on October 4 with the firm of Sverdrup & Parcel, Inc., of St. Louis, to make an engineering reconnaissance which is expected to lead to the signing of a construction contract with another firm in about two months. Four highway engineers -- Percy Z. Michener, John McGavock, William Rusk and Harold Cox -- left at once by air for Bangkok to start their work.

Another contract is being negotiated with Sverdrup & Parcel to provide consultative engineering services to the Thai Government during the entire period of construction.

Dollar expenses, which include contractors' fees, American equipment, supplies and technical personnel, are estimated at $3 million and are to be paid by FOA. The Thai Government will provide the equivalent of $1 million in Thai currency (Baht), and the remainder up to as much as $3.5 million equivalent in Baht, for local costs such as labor, will be raised with FOA assistance.

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New road-building equipment sent to Thailand for the job will be turned over to the Thai highway department to make possible a much-needed expansion of the whole northeastern road network, of which the Northeast Highway will be the central trunk.

The road is seen as a key to the economic development of the potentially rich but now backward Northeast region. The road will strengthen the economic and social ties of the Northeast with the Bangkok area, bringing about more export of produce from the Northeast and enabling that area to import other needed goods to improve the standard of living of the people.

When the road is completed, Thai private capital is expected to begin to flow into the Northeast to stimulate economic development. New land will be opened to agriculture, new small industries will be launched, and a trend away from the present sub-marginal one-crop rice economy is expected. During construction, employment will be given to many local people resulting in new income for the area and leaving them with new and needed skills which they may use in other pursuits.

The Northeast Highway project will serve as a dramatic demonstration to the people of that area of the interest held by the Thai Government and the U.S. in their welfare, and an example of U.S. efficiency in peaceful pursuits.

Saraburi and Korat are now connected by a circuitous roadway which will not support heavy equipment and is too narrow for safe and unrestricted movement of truck supplies. Movement to and from the Northeast is delayed because of the lack of a modern transportation artery, and trade is greatly hampered. This lack of communication has been a great factor in the backwardness and poorness of this part of the country.

The new road will be wide enough for unimpeded rapid two-way traffic. Wide and strong bridges are to be built to replace weak, narrow bridges and fords across streams. Between Saraburi and Korat the new road will run through virgin, unsettled country in a new route shortening by 60 miles the road distance between the two cities. The roadbed will be raised above the high-water level wherever flooding is a problem.

Historically, the Northeast provinces, which share over 400 miles of border with the Communist-coveted Kingdom of Laos, have been less developed than the rest of Thailand. Special FOA assistance has been channeled in the last year to this region, a potentially rich farming area, to help improve living conditions as rapidly as possible in the face of increasing Communist pressures and propaganda activity.

FOA-supported activity in Northeast Thailand has thus far been concentrated mainly on construction of irrigation facilities to alleviate the periodic water shortages which contribute to the region's lower living standards. Thus far 67 small irrigation reservoirs with earth dams have been completed, which will supply water to nearly 170,000 acres, and almost as many more are under construction. These irrigation facilities are being constructed by Thailand's efficient Irrigation Department, which is staffed with many U.S.-trained technicians. FOA has furnished heavy equipment and some technical advice for these water facilities which promise to boost agricultural production in the area considerably.

The Communist activities across the borders of Northeast Thailand and the turnover of northern Vietnam to Communist control have focussed increased importance upon the development of this part of Thailand to bring about more effective resistance to Communist pressures, and a greater part of FOA's program in Thailand during the coming months will be channeled to this area.

Thailand's northern border is separated from Yunan Province of Communist China by only a narrow strip of Laos and Burma of less than 100 miles at its closest point.

Thailand has a population of 19 million, has always been a free country, and is about the size of Texas. It supports a relatively strong Army, Navy and Air Force which have been built up and modernized with U.S. assistance. Thailand sent an infantry battalion, three transport planes and two frigates to fight with the free nations in Korea. Thailand contributed considerable rice to Korea, and claims to be second only to the U.S. in her gifts to Korea.

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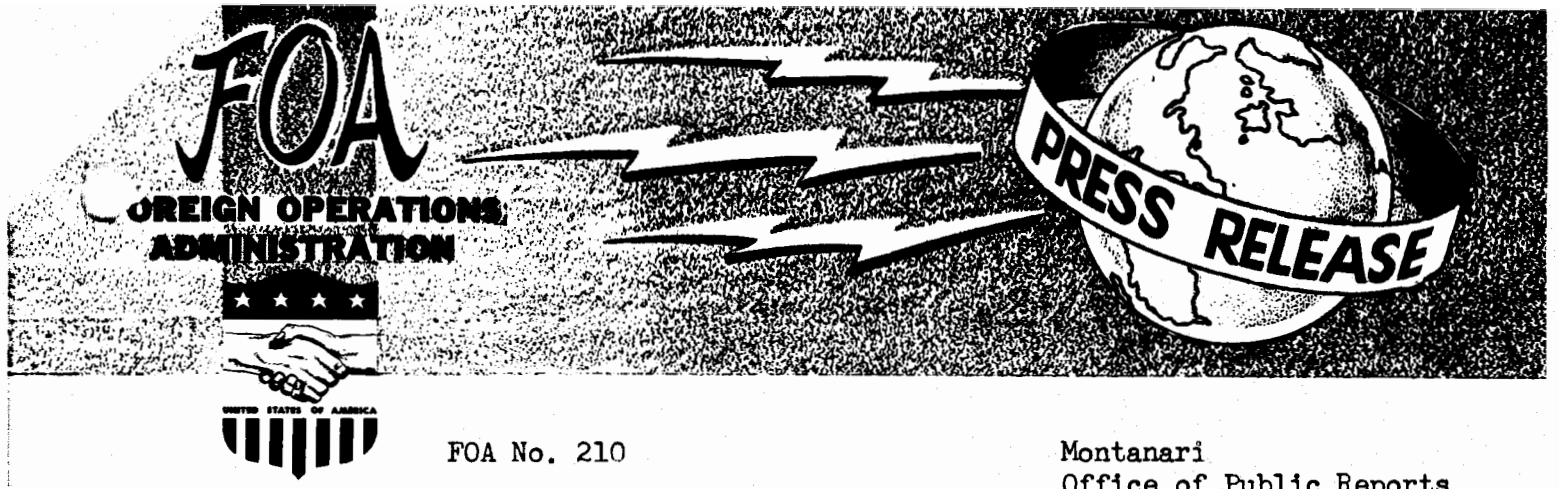
10/11/54



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FOR IMMEDIATE RELEASE
(Also announced in Bonn)

FOA PROMOTES TUTHILL TO POST
OF MISSION DIRECTOR IN GERMANY

WASHINGTON, October 12 -- John W. Tuthill. deputy director of the U.S. Operations Mission to the Federal Republic of Germany and acting director for the past two months. has been appointed director. it was announced today by Harold E. Stassen. Director of Foreign Operations. In this position. he also will serve as director of the Office of Economic Affairs of the U.S. High Commissioner.

A Foreign Service officer since 1941. Tuthill has for the past two years occupied the dual post of deputy Mission director and deputy director of the Office of Economic Affairs of the U.S. High Commissioner.

As director he succeeds Michael Harris. who resigned July 1 after extending his tour of duty in Germany for a year at the request of Stassen and Dr. James B. Conant. U.S. High Commissioner for Germany.

Tuthill has had previous experience in Germany. as secretary and vice consul of the Office of the U.S. Political Adviser on German Affairs. Supreme Headquarters. Allied Expeditionary Forces. He served for two years following the surrender of Nazi Germany.

Between that assignment and the FOA post. he served for three years with the State Department in Washington. for two years as counsellor of embassy for economic affairs in Stockholm. Sweden. and for a year as first secretary and consul of embassy in London.

A native of Montclair. N.J.. Tuthill was graduated in 1932 from the College of William and Mary with a B.S. degree. He started his career as a bank

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teller and later became successively a trust administrator and investment counsel. In 1936 he received a degree of Master of Business Administration from New York University. He was appointed instructor, and later assistant professor, in banking and finance at Northeastern University in Boston.

Be began his Foreign Service career in 1940 as vice consul in Windsor, Canada, and in 1941 was assigned to the State Department and Foreign Service School in Washington. The following year he served as vice consul in Mazatlan, Mexico and from 1942-44, as vice consul of embassy at Ottawa, Canada.

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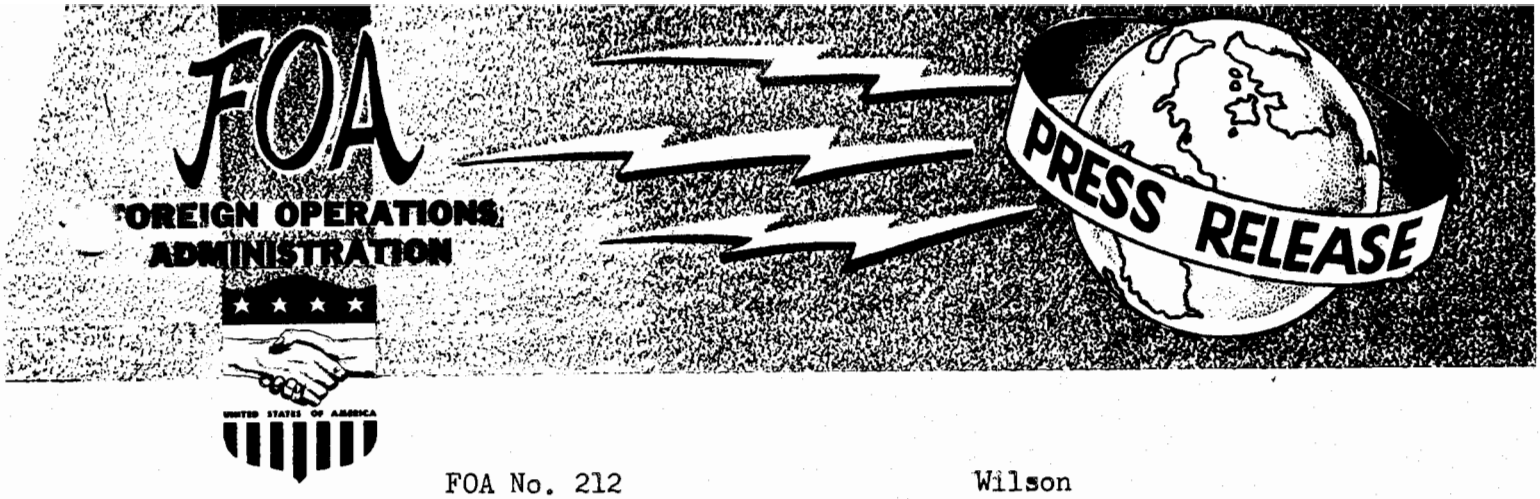
10/12/54



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For Immediate Release

STASSEN TO SPEND
10 DAYS IN EUROPE

WASHINGTON, October 19 -- FOA Director Harold E. Stassen will leave New York Wednesday night by plane (TWA, flight 938) for Paris to attend the NATO ministerial meetings.

While in Europe he will visit Belgrade, Rome and Madrid, for the purpose of conferring with Foreign Operations Administration staffs in those countries.

This will be Stassen's first visit to the FOA Missions in Yugoslavia and Spain. He will be accompanied by Regional Director for Europe, Charles Urschel, retiring Regional Director Walter Ringer, and Gen. William E. Riley, Deputy Director for Management.

Stassen will leave Paris for Belgrade, Sunday, October 24, returning to the United States October 30.

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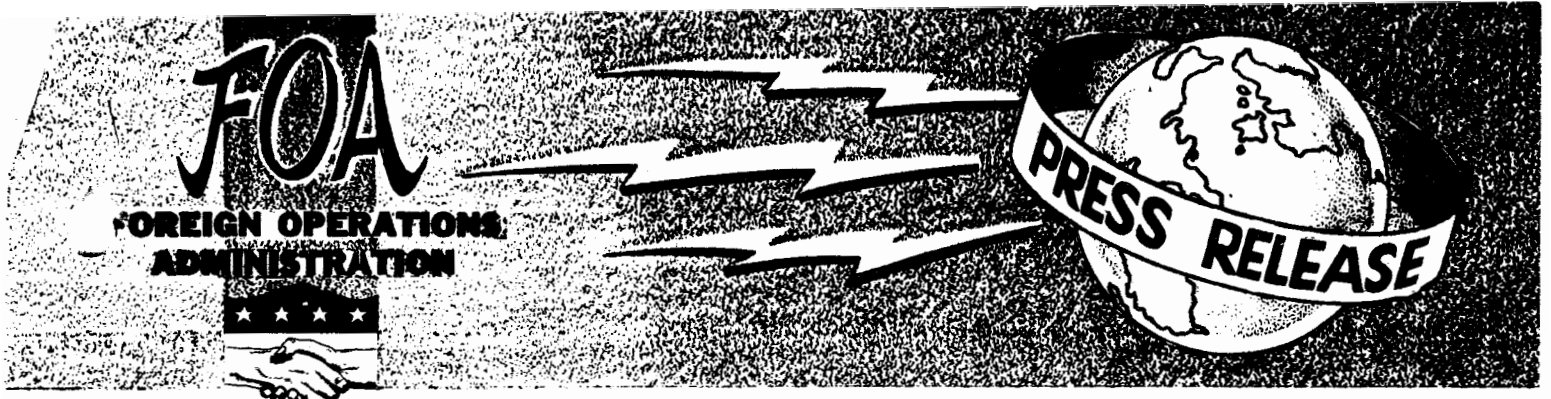

FOA No. 213

Montanari
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 417, 806 Conn. Ave., NW

For Immediate Release

FOA NAMES NEW DIRECTOR
OF MISSION IN PORTUGAL

WASHINGTON, October 20 — Sylvester I. Olson, Yakima (Wash.) attorney who has been serving as legal consultant for the FOA program in Korea, has been appointed director of the U.S. Operations Mission to Portugal, it was announced today by Harold E. Stassen, Director of Foreign Operations.

Olson has been legal consultant to C. Tyler Wood, U.N. Economic Coordinator and director of the Foreign Operations Administration's rehabilitation and defense support program in Korea, since last April. An attorney in Minnesota and Washington State for 23 years, he was a partner in the firm of Brown & Olson in Yakima, Washington, for five years before his appointment to the Korea post.

Olson, who will be sworn in at 10 A.M. Friday, succeeds James Minotto, director of the U.S. mutual security program in Portugal since May 1951. An Arizona rancher and former New York and Chicago banking official, Minotto has resigned to return to his Mission Ranch, near Phoenix, and other business interests.

Stassen expressed regret that FOA is losing "the very able services and valuable experience of Mr. Minotto, who has so successfully conducted the U.S. program in Portugal for more than three years, at considerable personal sacrifice in being away from his business interests."

Portugal, a NATO member providing important military bases and some armed forces for the defense of the North Atlantic area, is receiving U.S. military assistance in the form of arms and military equipment. Economic aid provided under the Marshall Plan totalled $49.8 million in 1950 and 1951, of which $36 million was in the form of loans.

Minotto has directed a technical exchange program which has been the principal U.S. activity in Portugal in recent years. This program has been mainly in the field of agriculture, Portugal's principal economic activity, and has been designed to bring the benefits of the Portuguese Government's research work to the individual farmer through field demonstrations and training of farm leaders.

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Agricultural production has increased about 18 percent since 1951, to 35 percent above the prewar level. In the same three-year period, Portugal's exports to the United States and her gold and dollar reserves have gone up steadily, as have defense expenditures.

FOA will continue to support projects being carried on in Portugal's African dependent territories of Angola and Mozambique, which are important transportation outlets and potential sources of such strategic minerals as uranium, copper and others for the free world.

In both Angola and Mozambique, an extensive combined aerial and ground search for mineral deposits is being conducted by geologists and engineers under FOA dollar financing, with Portugal meeting Portuguese currency expenses. Two FOA-aided technical projects in Angola are directed toward development of water resources.

The new FOA director in Portugal is a native of Herman, Minnesota, and received A.B. and LL.B. degrees in 1929 and 1931 from the University of Minnesota. His career as an attorney began in 1931, when he became junior partner in the firm of Ewing & Lehmann in St. Paul. Later, he became a partner in the firm of Stassen, Olson, Kelly & Levander, also in St. Paul. During this period, he served as assistant county attorney.

Olson served the Minnesota State Government from 1939 to 1943, first as administrative assistant in the Department of Rural Credit and later as legal counsel for the Division of Administrative Management and Research. During the following six years, he had offices in St. Paul as an attorney and public relations counsel. He moved to Yakima in 1949.

Olson is married to the former Miss Virginia Colbert of Takoma, Washington, and they have a daughter, Karen. Their home is at 2201 Butterfield Road, Yakima.

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FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE
UNITED STATES OF AMERICA

FOA No. 214

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For Immediate Release

ADM. MONCY APPOINTED BY FOA
AS MISSION CHIEF IN COSTA RICA

WASHINGTON, October 20 -- Rear Admiral Peter M. Moncy, U.S. Navy, Retired, has been appointed by FOA Director Harold E. Stassen as director of the U.S. Operations Mission to Costa Rica.

His appointment by the Foreign Operations Administration fills a vacancy created by the resignation of Howard Gabbert, who had been in the post for about eight years. The U.S. contributed $879,100 to the technical cooperation program in Costa Rica last year.

A graduate of the U.S. Naval Academy with more than 30 years' service, including duty during World War II, Admiral Moncy retired in 1952 and served as executive assistant to the managing director of the Greater Boston Chamber of Commerce for a year. He graduated this year from the Fletcher School of Law and Diplomacy.

The U.S. technical cooperation program in Costa Rica emphasizes agriculture, health and sanitation and public administration, with smaller programs in transportation and communications and community development.

A nationwide agricultural extension service has been established and as a result, food production has been increased to the extent that many staples formerly imported -- such as rice, corn and beans -- are now grown in sufficient supply for local needs. With the extension service gradually being operated and financed by the Costa Rican Government, the U.S. program will place more emphasis on research and irrigation projects and area development. Under the health and sanitation program, 17 health centers have been built or rehabilitated. Technical cooperation has also helped to establish water supply systems, sewage and garbage disposal facilities, and other sanitary and public health installations, including the first fluoridation unit in Latin America. More attention is being given in the current program to improvement of rural health facilities.

In other programs, U.S. technicians have provided advice in the construction of an international airport and are advising in operational procedures, while a public administration consultant is assisting Costa Rican officials to develop and extend a civil service organization.

Admiral Moncy, who retired while chief of staff to the Commandant of the First Naval District, Boston, had served as a senior military observer with the U.N. Palestine Commission in 1948.

When the United States entered World War II, Admiral Moncy was superintendent of all industrial shops at the Charleston (S.C.) Navy Yard, which had 10,000 civilian employes. A year later he was assigned to command a tanker and then a hospital ship in South Pacific waters. Later he was appointed chief of staff to the commander of Task Force 24 and then chief of staff of the Naval Operating Base in Newport, Rhode Island in 1945.

After the war he served as captain of the cruiser Atlanta and as commanding officer of the Naval Station at San Juan, Puerto Rico, before being assigned to New England as Naval Intelligence officer. His duties with the U.N. in Tel Aviv followed.

Admiral Moncy is married to the former Miss Mildred Watson, formerly of Georgia, and they have five children. Their home address is 5 Wildwood Street, Winchester, Mass.

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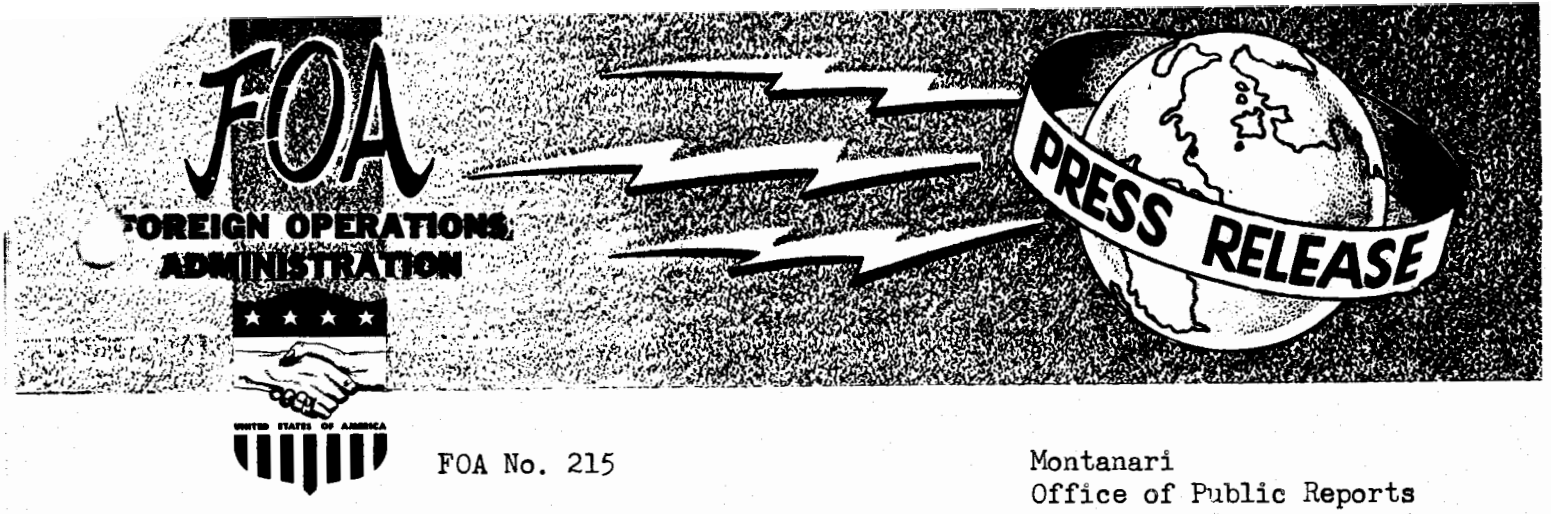

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For Immediate Release

WASHINGTON LAWYER NAMED
FOA DIRECTOR IN ECUADOR

WASHINGTON, October 21 -- Beverly M. Coleman, a practicing attorney in Washington since leaving active Navy service last May, has been appointed by FOA Director Harold E. Stassen as director of the U.S. Operations Mission to Ecuador.

Coleman succeeds C. Preston Blanks, who has been in Quito for seven years. A former Army sanitary engineer, Blanks served as chief of the health and sanitation field party for four years and for the past three years has held both the Mission director post and the chief of party position. He will return to Washington in mid-November for consultation with the Foreign Operations Administration.

Coleman is a 1922 graduate of the U.S. Naval Academy. He practiced law in Washington for 10 years and re-entered the Naval service in 1941. He saw considerable action in the Pacific during World War II. Since then, he has served the Navy in a legal capacity as well as in Korean war assignments and truce negotiations. He left active service with the rank of captain.

The U.S. Program in Ecuador which Coleman will direct includes projects in agriculture, transportation, education and small industry, as well as health and sanitation.

The agricultural program, which has emphasized research on a wide variety of products, will place added emphasis on more intensive extension service work to spread the benefits of research. The transportation program has included improvement of airports and railroads, and new projects for improvement of highways and postal distribution will be added. The education program will give greater emphasis to teacher training, while the small industry program, which has concentrated on the development of weaving, will be expanded to include other handicrafts. Under

- more -

the health program, medical facilities have been constructed, and a second phase of improvement of environmental health conditions is going forward.

A native of Washington, Coleman received a B.S. degree from the Naval Academy and an LL.B. from George Washington University. Before World War II, besides practicing law in Washington for 10 years, he served as administrative assistant and counsel for the National Recovery Administration for two years.

His war service in the Pacific, which won him a Purple Heart and other decorations, included Naval liaison and intelligence work, and assignments as beachmaster and combat landing control officer at Kwajalein, Saipan, Tinian, Iwo Jima, Okinawa, Ie Shima, Ihoya Shima and Aguni Shima. After the war he served in Yokohama and Tokyo as Naval liaison with the Eighth Army and in the war crimes trials, later returning to Washington to serve in the Office of the Counsel for the Bureau of Ships.

During the Korean war Coleman acted as counsel for the Military Sea Transport Service for the Western Pacific Area in Tokyo, and later as Navy representative on the U.N. Command Planning Group. His most recent duties with the Navy were as U.N. Command Secretary of the Military Armistice Commission, directing control of U.N. Command units observing compliance with armistice terms. He conducted more than 100 meetings with Communist officials on armistice problems.

Coleman and his wife, the former Miss Eleanor Snyder, of Wilkes-Barre, Pa., and their daughter live in McLean, Va.

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The teacher training and related activities to be carried on under the contract will be coordinated with other projects in the educational field in which FOA is presently cooperating with the Government of Nepal.

These include establishment of 200 new primary schools, an adult literacy program, and an education-information program through the expansion of radio facilities. These educational projects are important to Nepal's development program because the literacy rate is only about two percent.

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M/PR - Newman, J.
Rm. 411-M

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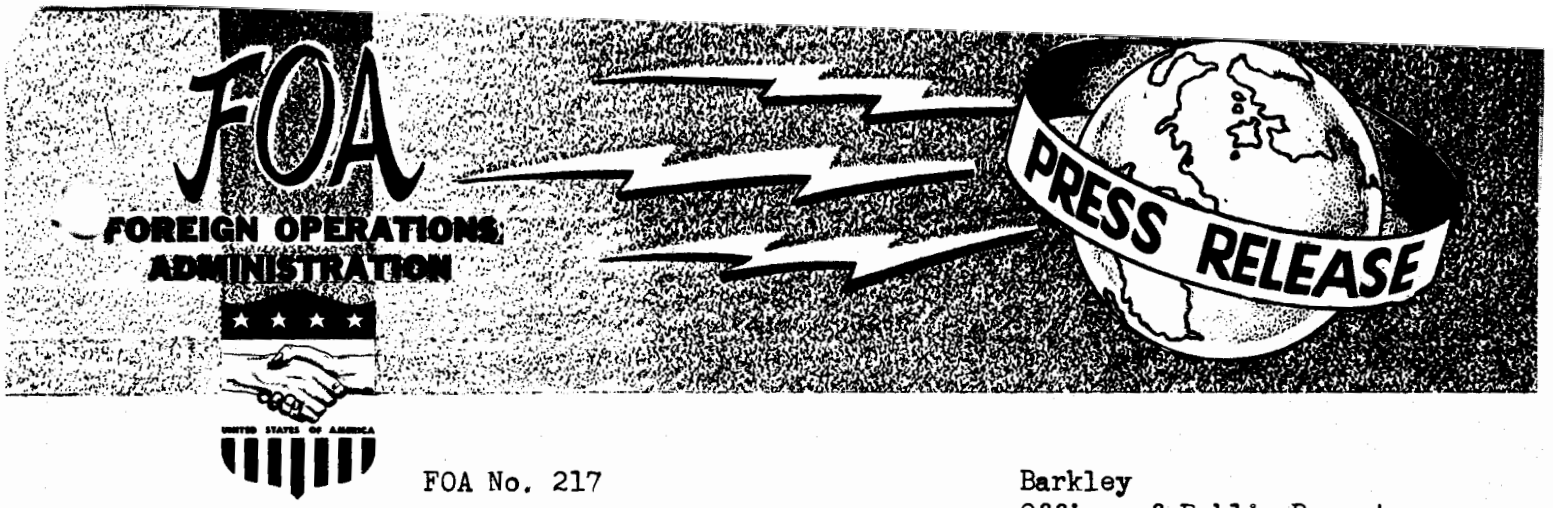

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For Immediate Release

FOA AUTHORIZES $2 MILLION
FOR FLOOD RELIEF IN NEPAL

WASHINGTON, October 22 -- Flood-stricken Nepal, in South Asia, will receive up to $2 million for relief purposes from the U.S. under an agreement announced today by FOA.

The agreement, between the Nepalese Government and the U.S. Foreign Operations Administration, establishes a Nepalese-American Cooperative Disaster Relief Program to administer the funds.

FOA previously had authorized an emergency expenditure of $75,000 to rush vaccines and anti-biotics to relieve suffering in Nepal from floods which swept the country in September with great loss of life.

The decision to provide Nepal with up to $2 million for a full-scale relief program was based on estimates of the country's needs by U.S. technicians who flew to Nepal for an on-the-spot survey of conditions.

The money will be used to provide such essential needs as medicines, vitamins, dressings, food including powdered milk and canned goods, food-grains, blankets and clothing.

The floods, which were accompanied by an earthquake, took a toll of an estimated 1,000 dead and 132,000 homeless. The disaster was described as the worst to strike the isolated country in the last half century.

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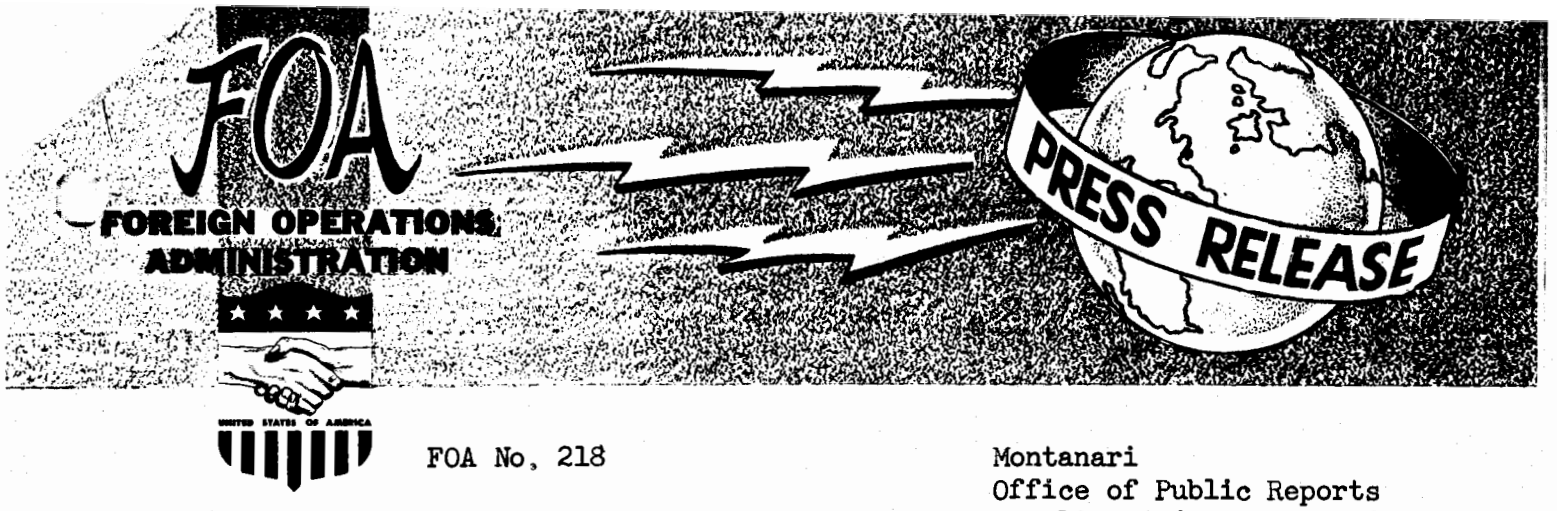

FOA No. 218

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For Immediate Release

FOA RUSHES FOOD BY AIRLIFT
TO HURRICANE STRICKEN HAITI

WASHINGTON, October 25 -- FOA has rushed 462,700 pounds of food by air to Haiti in 10 days of relief operations since the Caribbean republic was struck by the fury of Hurricane Hazel.

An air cargo of 20,000 pounds of wheat flour from Dallas scheduled to arrive at Port au Prince today completes the airlift phase of a $2 million relief program offered by President Eisenhower to Haiti.

The first of an additional 13 million pounds of the same foodstuffs -- dried beans, wheat flour, corn meal, rice, dried milk and cooking oil -- to be sent to Haiti by ship left yesterday from Houston. Two more ship cargoes are scheduled to leave Houston Wednesday, and about Nov. 1.

With an estimated 250,000 people on Haiti left without anything in the wake of Hurricane Hazel, the first shipments of the humanitarian airlift were in the air Friday evening, October 15 while the violent storm was still lashing the east coast of the United States itself.

One plane which left Newark Friday for Washington and Richmond to pick up paper bags and dried milk was forced to circle west around the hurricane. On reaching Washington National Airport, the crew found that the hangar where they expected the paper bags would be stored had lost its roof to Hazel. The bags were found in another hangar and, after loading, the plane flew on to Richmond to pick up the dried milk, delivering the cargo in Port au Prince Saturday.

Another flight on Friday, the day after Haiti appealed for help took off from Dallas, with a cargo of some 20,000 pounds of wheat flour.

These were the first of the 30 cargo flights which have carried 86,000 pounds of wheat flour from Dallas, 21,300 pounds of dried milk from

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Richmond, 99,500 pounds of dried beans from Denver, 42,900 pounds of corn meal from Kansas City, 188,300 pounds of rice from New Orleans and 24,700 pounds of cooking oil from Boston, to the stricken people of Haiti by the fastest possible means. In addition, 11 tons of paper bags, 5-pound size, were rushed to Haiti by plane and ship to facilitate distribution of the foodstuffs, which are packed in 100-pound bags.

The airlift planes -- C-46s, C-54s and DC-4s -- were chartered by the Foreign Operations Administration from the Flying Tiger Line, Inc., Transocean Air Lines and AAXICO airlines. They were flown from such distant points as Hartford, Newark, Chicago, Seattle, and California to the pickup points where the commodities, made available by the Department of Agriculture, were stored.

Because of the urgency of the situation, chartering of the air cargo flights was all done by telephone, the airlines operating entirely on word-of-mouth authority without receiving any written commitments from FOA. Their cooperation included the stationing of an official at Port au Prince to arrange landing, unloading, turn-around operations and also to make sure that cargoes were properly delivered to personnel of FOA's U.S. Operations Mission to Haiti.

The Mission staff of 40 have been devoting their entire time to relief, working closely with the Haiti Government, with Red Cross personnel, who are providing most of the medical supplies, and with the Haitian Army, which has charge of general distribution facilities.

The air-shipped food is being distributed on foot, horse and mule back, by truck and by airplanes of the Haitian Air Force and helicopters of the U.S. Navy.

To carry food to remote areas which cannot be reached or cannot adequately be supplied by these means, an ex-U.S. Navy LSM, also chartered by FOA, will be waiting when the first U.S. relief shipload arrives, probably Thursday. With its shallow draft and drop-front bow, this veteran of World War II amphibious operations will be able to land its 500-ton cargoes of foodstuffs on almost any strip of beach in Haiti.

FOA officials pointed out that, in searching for a usable vessel of this type for the relief distribution, they had to find one of foreign registry, as U.S. safety regulations require sealing the drop-front bow of all U.S.-registered craft of this construction. The owner of the LSM, which was anchored at San Juan, Puerto Rico, was located in New York, and he immediately flew to San Juan to prepare for the voyage to Haiti.

The S.S. Nancy Lykes of the Lykes Brothers Steamship Co. sailed yesterday from Houston, carrying some 3000 metric tons of rice, flour and beans. The steamship company adjusted its schedules so that the steamer carrying the relief shipment would sail direct to Port au Prince rather than touching at other Caribbean ports first. Another Lykes Brothers ship,

the S.S. Adabelle Lykes, will take the second ship cargo under this program from Houston on Wednesday.

Total shipments to be sent to Haiti under the program are estimated at 2000 metric tons of rice, 2000 of beans, 1000 of corn meal, 1000 of wheat flour, 100 of cotton-seed oil and 10 of dried milk.

The emergency program was carried out under the provisions of Title II of the Agricultural Trade Development and Assistance Act of 1954, which permits the President to grant Government-held commodities to friendly peoples in meeting famine or other urgent relief requirements.

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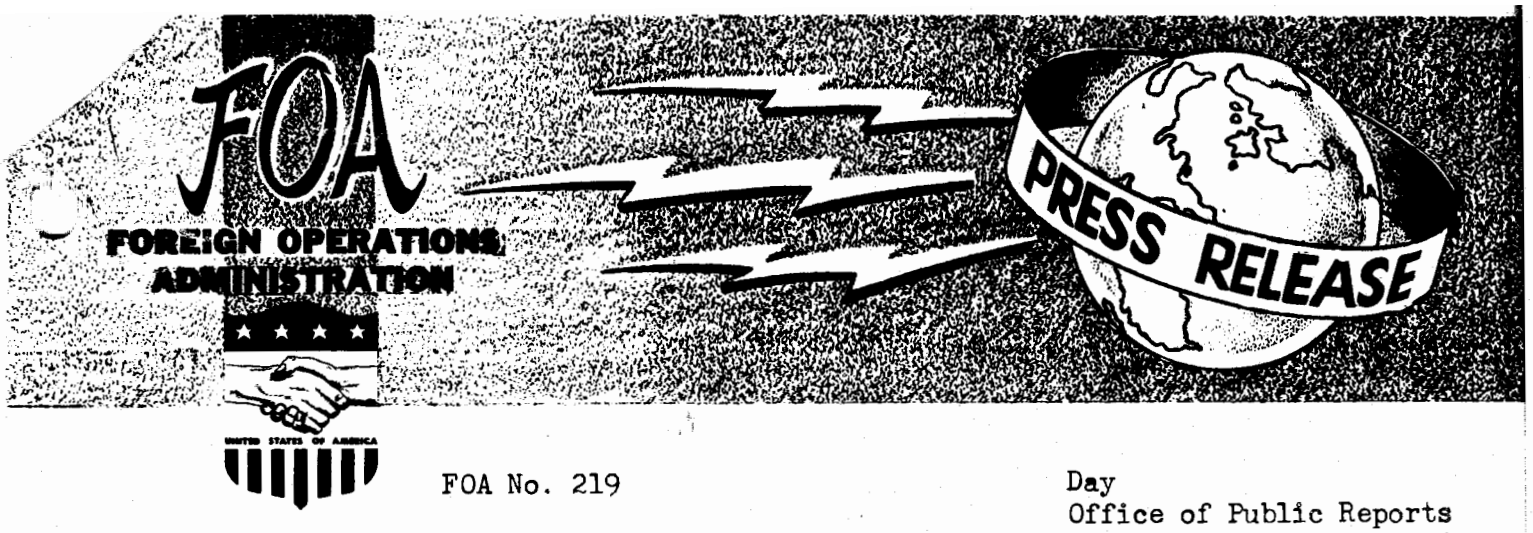

FOA No. 219

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For Immediate Release

McCAFFERY TO REPLACE MEYER NOVEMBER 1
AS DIRECTOR OF FOA MISSION TO AUSTRIA

WASHINGTON, October 28 -- Richard S. McCaffery, Jr., of New York City will succeed Clarence E. Meyer on November 1 as Director of the U.S. Operations Mission to Austria, FOA announced today.

Since mid-1952 McCaffery has been Special Economic Advisor for the U.S. Operations Mission to Spain.

Meyer, who has headed the U.S. technical and economic missions in Austria since 1951, is being transferred to Japan to head the new U.S. Operations Mission which is being established in Tokyo. Meyer is scheduled to arrive in Washington next Monday for consultation. He will depart for Japan about December 1.

McCaffery has been associated with U.S. economic programs since 1948 in posts in Washington, London and Paris. At the time of his transfer to Spain, he was Special Assistant to the U.S. Special Representative to Europe, in Paris.

He holds degrees from the University of Wisconsin, in mining engineering, and Columbia University, in architecture. For 10 years he was a partner in a New York architectural firm. From 1942 to 1945 he was a member of the U.S. Mission for Economic Affairs in London.

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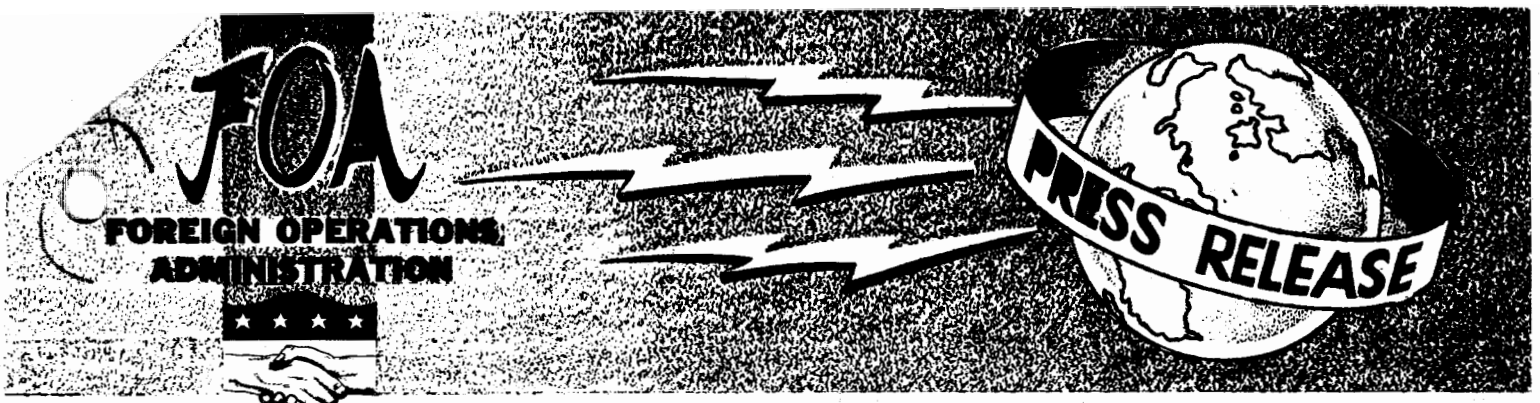

FOA No. 220

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For Immediate Release

FOA REPRESENTATIVE TO ATTEND
NEAR EAST IRRIGATION CONFERENCE

WASHINGTON, October 28 -- Earl R. Fogarty of Denver, Colo., a veteran of 30 years with the U.S. Bureau of Reclamation, was named by FOA today to attend the U.N. Food and Agriculture Organization's Near East regional meeting on irrigation and drainage practices at Tehran, Iran, November 6-13.

He is being sent to the conference by the Foreign Operations Administration upon invitation of the world food organization to have an FOA technical representative in attendance. The Bureau of Reclamation is making him available to FOA for the trip to Iran.

Fogarty, who is chief of the Economic Resources Branch, Projects Investigations Division of the Bureau of Reclamation's office in Denver, is well qualified for participation in the conference, having outstanding experience with problems of land classification, water quality and related technical and economic problems.

A native of California with degrees from the University of California (1924) and Oregon State College (1930), Fogarty has filled many positions of responsibility during his three decades with the Bureau of Reclamation.

In his present position which he has held for six years, he has wide responsibility in developing policy and procedure in connection with land and water resource development sponsored by the Bureau in the 17 Western states.

The Tehran conference will be attended by representatives from Near Eastern countries where the arid condition of the area makes water a major economic problem in their development programs.

FOA technical cooperation agreements with these countries emphasize the part irrigation and water control will play in bettering their economy by increasing

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agricultural productivity.

While in Iran, Fogarty will be available to discuss irrigation problems of that country with Iranian leaders and technicians, and to inspect water resources projects which are being carried on cooperatively with the FOA Mission there.

FOA said plans are being made for Fogarty to reach Tehran just before the opening of the conference.

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10/28/54

FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE

FOA No. 221

ADVANCE RELEASE for A.M. Papers of
Monday, November 1, 1954

Hughes
Office of Public Reports
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SIMPLIFIED INVESTMENT GUARANTY RULES EXPECTED TO STIMULATE FLOW OF PRIVATE CAPITAL ABROAD

WASHINGTON, October 31 -- Announcing the simplification of rules governing its investment guaranty program, FOA said today that it hopes to encourage a larger flow of private capital to other countries of the free world.

The investment guaranty program is an insurance program to protect U.S. investors against (1) the risk of being unable to "get their money out" of foreign countries because of currency exchange restrictions and (2) the risk of loss as the result of their investments being taken over by foreign governments. The two types of protection, available over 20-year terms, are officially classified as "convertibility insurance" and "expropriation insurance."

In a new pamphlet, "Investment Insurance Manual" which explains the program and its method of operation, FOA points out that these are "two of the chief dangers" which have sometimes troubled prospective American investors abroad. The pamphlet also points out, however, that the program does not offer insurance against failure to make a profit or against the other normal business risks that attend any investment.

The investment guaranty program was authorized by Congress as part of the Mutual Security Program to encourage private American investment abroad. The legislation was first enacted in 1948 as part of the Marshall Plan program for Europe to cover the risk of "inconvertibility" and has since been expanded to cover other areas of the free world and to include protection against expropriation and confiscation. At the present time, 20 countries in Europe, the Far East, Near East and Latin America have signed the necessary agreements with the U.S. to put the program into effect.

Congress, in considering foreign assistance programs, has repeatedly emphasized the importance of foreign investment as the best means of building up the economies and raising the standards of living of the world's free countries. President Eisenhower, too, has strongly endorsed the stimulation of private investment and last March sent a foreign trade message to Congress in which he pointed out the need for greater use of U.S. private capital toward strengthening the free countries.

The six-year-old investment guaranty program is one phase of the Government's continuing efforts to interest American private enterprise in new foreign business ventures and in enlarging others already under way. Thus far it has resulted in 67 guaranty contracts totaling $47,601,000 in insurance protection.

Based on experience, FOA is now able to offer a considerably simplified program. With this new program making it easier for American businessmen to negotiate guaranties, FOA hopes that the program can become a much more important stimulant to the flow of investment capital.

Highlights of the simplified program:

CONVERTIBILITY INSURANCE

1. The amount guaranteed will now be a simple, flat figure for the life of the contract. Heretofore investors have had to "peer into the future" by distributing the total amount of the guaranty by years over the life of the contract, with coverage limited to the amount scheduled for any one year.

For example: An investor wishes a $100,000 insurance policy against inconvertibility, the contract to run for 10 years:

> Old Rule: Based on his best estimates as to how his venture would work out, the investor would draw up a schedule. He might distribute his coverage so as to have $5,000 of protection in the first year, $5,000 the second, $10,000 for each of the next six years, and $15,000 for each of the final two years. Protection in any year would be limited to the amount scheduled.
>
> New Rule: No schedule required. The investor will have $100,000 worth of insurance through the life of the contract.

2. The amount of insurance protection will not be reduced by withdrawals of earnings through normal exchange channels. Heretofore, any receipts from the investment transferred into dollars reduced the amount of protection by that much.

Under the new rules the amount of protection is reduced only (1) if the insured, for reasons of business judgment, wishes to reduce; (2) if the insured brings home a part of the investment; (3) if the insured invokes the guaranty contract and thus uses up some or all of the protection.

3. The insurance fee. formerly figured on a hard-to-understand

formula basis, is now a simple flat fee of ½ of 1 percent annually of the face amount of the policy.

4. Coverage may be obtained for equity investments up to 200 percent of the amount invested, against a former limit of 175 percent.

5. Protection may now be obtained if more than 50 percent of all classes of stock of the investor is owned by U.S. citizens. Formerly the maximum foreign equity ownership considered was 15 percent of the outstanding stock.

6. Paper work is sharply cut by reducing the amount of information the investor is called on to furnish.

FOA pointed out that investors may in some instances find the old rules more advantageous. In such situations insurance under the old rules is still available. Thus the investor, if he finds it to his advantage, may distribute coverage over the life of the contract and may arrange that withdrawals of earnings will reduce the amount of coverage.

EXPROPRIATION INSURANCE

Changes in the convertibility program also apply, where appropriate, to guaranties against expropriation or confiscation. In addition, the annual fee is now 1/2 of 1 percent, compared with the old fee of 1 percent.

A feature of the simplified program applying to both types of insurance is that FOA, after preliminary review of an application, may issue a qualified letter of approval good for six months and renewable on request. This procedure will permit the investor to establish the availability of a guaranty at an early stage in his negotiations.

All guaranteed investments must continue to have the approval of the host government. The 20 countries which have entered into agreements to participate in the program are: Austria, Belgium, China (Formosa), Denmark, France, Germany (Federal Republic), Greece, Haiti, Israel, Italy, Japan, Netherlands, Norway, Philippines, Portugal, Spain, Thailand, Turkey (convertibility only), United Kingdom (convertibility only), and Yugoslavia.

FOA is consulting with additional countries concerning their desire to participate in the program.

Emphasizing that the purpose of the guaranty program is to induce additional investment, FOA pointed out that the insurance is not available to existing investment. It said, however, that the program is open to new additions to existing investments, as well as to investments establishing new enterprises abroad.

Investment may be in cash, materials and equipment, patents, processes and techniques, or services.

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Types of industries in which guaranteed investments have been made include batteries, concrete admixes, refractories, automotive parts, silicones, trucks and cars, construction engineering, truck trailers, drugs and pharmaceuticals, plastics, well digging equipment, slide fasteners, agricultural fungicides, sewing machines, oil refining, metal-working machinery, carbon black, tires and tubes, mine car loaders, chemicals and lubricants, asphalt tile.

Elevators and elevator equipment, radar and sonar equipment, seed cultivation, boiler compounds, building stone, railroad equipment, castor oil derivatives, venetian blinds, industrial filters, construction machinery, valves, screw machines, dictaphones, miners lamps, earth moving equipment, clocks and watches, drill chucks, measuring instruments, metal spray equipment, regulating instruments, home appliances, soluble coffee, publishing, and hotel operation.

Copies of the new Investment Insurance Manual may be obtained without charge by writing to: Investment Guaranties Branch, FOA, Washington 25, D.C.

The Manual has five chapters: (1) the scope of the insurance program; (2) eligible investments; (3) how to proceed; (4) convertibility insurance and (5) expropriation insurance. Appendices provide information required from applicants; the legislation governing the program, and the FOA regulation pertaining to the program's operations.

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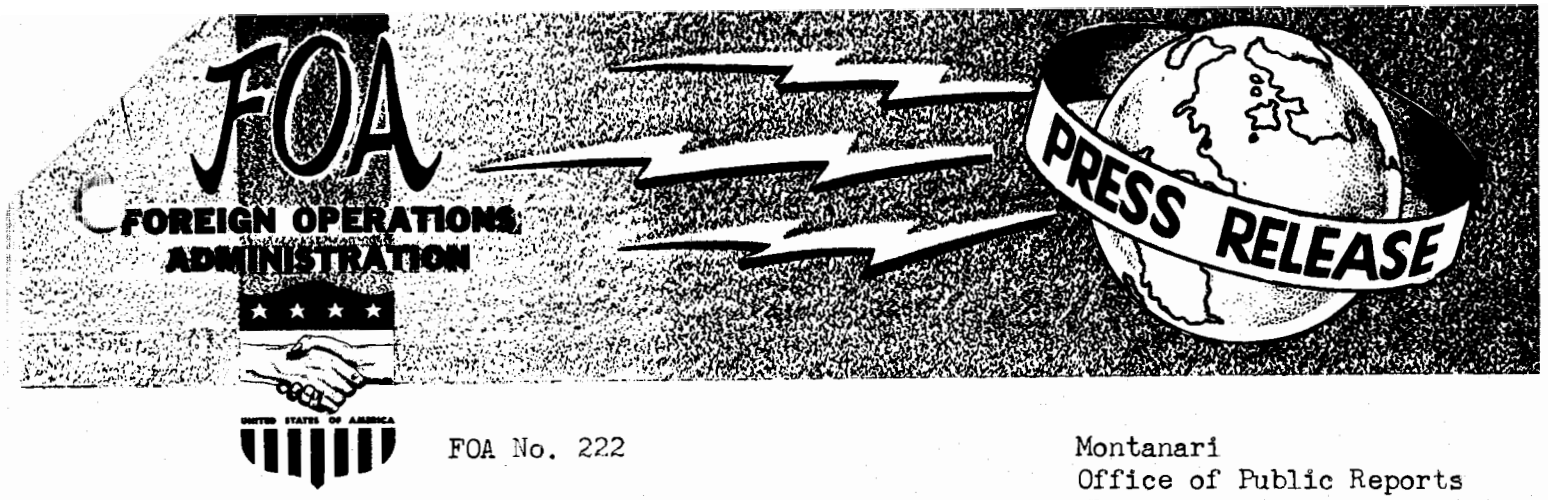

FOA No. 222

ADVANCE RELEASE For A.M. Papers
of Monday, November 1, 1954

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STASSEN NAMES HUNTINGTON GILCHRIST
CONSULTANT ON FOA EUROPEAN PROGRAM

WASHINGTON, October 31 -- Huntington Gilchrist, director of the United States economic and defense support program in Belgium-Luxembourg for four years, will return to Washington shortly to take up his duties as a consultant to FOA on the European program, it was announced today by Harold E. Stassen, Director of Foreign Operations.

Effective tomorrow, Gilchrist is turning over the post of director of the U.S. Operations Mission in Brussels to Landon K. Thorne, Jr., former deputy director of the Mission to Italy.

Stassen said his appreciation for Gilchrist's "most effective work" on the Mutual Security Program in Belgium and Luxembourg, and his fund of experience in European economic affairs, led him to ask Gilchrist to remain with FOA to advise on the program.

The former managing director of the American Cyanamid Company in New York, Gilchrist had been active in international affairs for many years before joining ECA in 1949 as director of the industry division of the Marshall Plan agency's European headquarters in Paris.

In November, 1950, when he was appointed to the Belgium-Luxembourg post, the Benelux countries were facing the problems of rearmament made necessary by Communism's aggressive actions in Korea and elsewhere.

The United States economic program, and the later mutual security defense support program, which Gilchrist continued to direct, effectively helped to increase industrial and agricultural production and exports, and to increase productivity.

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Belgium-Luxembourg's growing economic health permitted a sharp reduction in U.S. economic and defense support, from some $75 million during the fiscal year when Gilchrist was appointed to $1 million during the 1952-53 fiscal year. Since June 1953, when the final allotment was made, the U.S. program in Belgium-Luxembourg has consisted chiefly of technical exchange projects in both the mother country and its dependent territories in Africa.

Gilchrist's first overseas experience came in 1913, shortly after he was graduated from Williams College, when he served as a college instructor and government researcher in Japan and China. From the close of World War I, during which he served as a captain in the Army, until 1928, Gilchrist was on the staff of the League of Nations in various executive capacities. He later entered the chemical industry and was managing director of Cyanamid Products, Ltd., London, from 1935 to 1940, before joining American Cyanamid Company.

He played a prominent role in the drafting of the United Nations Charter after World War II, serving as executive officer at the San Francisco Conference in 1945, and later as a committee secretary with the United Nations General Assembly in London in 1946. In 1947, he joined the Brookings Institution as vice chairman of the board of directors.

While with the American Cyanamid Company, he and Mrs. Gilchrist and their daughter and two sons lived at 1235 Park Avenue, New York City, and Danbury, Connecticut.

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FOA
FOREIGN OPERATIONS ADMINISTRATION

PRESS RELEASE

FOA No. 223

ADVANCE RELEASE For A.M. Papers
of Monday, November 1, 1954

Sullivan
Office of Public Reports
STerling 3-6400. Ext. 2655
Rm. 417, 806 Conn. Ave., NW

FOA SUPPORTS LIVESTOCK RESEARCH PROJECT
BY UNIVERSITY OF PENNSYLVANIA IN MEXICO

WASHINGTON, October 31, -- FOA today announced the signing of a contract with the University of Pennsylvania providing for a cooperative research project between the University's School of Veterinary Medicine and the Mexican Government's Institute of Livestock Research at Palo Alto, near Mexico City.

The three-year research project will be in the investigation of contagious animal diseases, results of which promise to be of benefit to both countries.

The Foreign Operations Administration has allotted $18,000 in support of the project during its first year.

The E. R. Squibb and Sons de Mexico, a subsidiary of the Olin Mathieson Chemical Corporation, and E. R. Squibb and Sons, both of New York, are cooperating and assisting in financing the project. The firms will donate a minimum of $30,000 a year for each of the three years through the Squibb-Mathieson Institute for Veterinary Research.

The contract with the University of Pennsylvania is the 50th in FOA's program of having American institutions share their facilities to aid schools in free nations of the world.

Dr. Geoffrey W. Rake, research professor of microbiology at the University, has been named chairman of a faculty scientific committee of the Veterinary school to guide the project and will direct research work for the University at Palo Alto. Under terms of the contract, the University is to have use of existing facilities at Palo Alto.

The Institute at Palo Alto was established in the 1940s by the Mexican Government, with the aid of the United States, to combat the hoof and mouth disease.

- more -

In addition to personnel available at Palo Alto, selected Veterinary School faculty members will be sent to Mexico as principal research projects investigators, and the University has appointed Dr. Carlos Espana as a research associate in microbiology for the Palo Alto laboratory. Dr. Espana is a native Mexican.

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FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE
UNITED STATES OF AMERICA

FOA No. 224

For Release in Papers of
Sunday, October 31, 1954

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 417, 806 Conn. Ave., NW

FOA AND CHINA TO SHARE COST OF BUILDING
$20 MILLION FERTILIZER PLANT ON FORMOSA

WASHINGTON, October 30 -- The FOA today announced that it has approved financing of $13,200,000 in dollar costs involved in the construction of a $20 million chemical fertilizer plant in Formosa. The Chinese Government on Formosa will provide the equivalent of $6,800,000 in local currency to pay for labor and materials.

FOA expects to save almost $12 million a year in terms of fertilizer imports to Formosa when the plant is completed.

The plant is to be constructed by the Taiwan Fertilizer Co. with technical assistance furnished by Hydrocarbon Research Inc. of New York City which is also responsible for the design of the ammonia plant and gas synthesis units as well as for procurement of equipment needed for the plant. In addition, the urea process to be employed in producing the fertilizer will be furnished by Inventa A.G. of Switzerland through the Vulcan Copper and Supply Co. of Cincinnati, Ohio.

Hydrocarbon Research, Inc., and the Vulcan Copper and Supply Co. will also be responsible for the training of selected Chinese technical personnel for operating the project. Further training will be conducted in the United States offices of both companies.

Chemical fertilizers constitute the major item of foreign exchange expenditure of Formosa. Since 1951 about $42.9 million of U.S. economic aid funds and $40.2 million of Chinese funds have been used to import fertilizer necessary to maintain the island's agricultural production.

Formosa is a sub-tropic island with about one-fourth of its land arable, yet agriculture is the foundation of the economy. Extensive cultivation and utilization of arable land, and the harvesting of two crops a year in many areas,

must be maintained by constant application of commercial fertilizers. The fertilizer imports of the last few years, with other FOA aids to agriculture, have brought heavy increases in Formosa's farm production which has contributed to support of both the Chinese Government's military establishment and the rapidly growing native population of Formosa.

The foreign exchange released as the result of Formosa's increased fertilizer production will become available for the purchase of other needed items such as machinery, which cannot be produced economically on the island, and hence will reduce Formosa's current reliance on U.S. aid. The Chinese Government and FOA are cooperating in a development program to improve Formosa's capacity for self support within a four year period. Local production of fertilizer is one of the basic steps in this program.

The new industry, consisting of an ammonia and a urea plant will produce 85,800 metric tons of urea which contains 44 percent nitrogen and is the most concentrated form of nitrogen fertilizer known. Ingredients will be 54,500 tons of coke and 76,200 tons of steam coal a year; 240,000 metric tons of water per day and 21,310 kw of firm electric power.

The plant is to be located at the coal mining town of Nankong, on the Keelung river, where the coal, coke, water and power needed are all at hand.

The annual production of 85,800 metric tons of urea will equal over 180,000 tons of ammonium sulphate fertilizer in terms of nitrogen content. At present world prices 180,000 tons of ammonium sulphate would cost $10 to $12 million.

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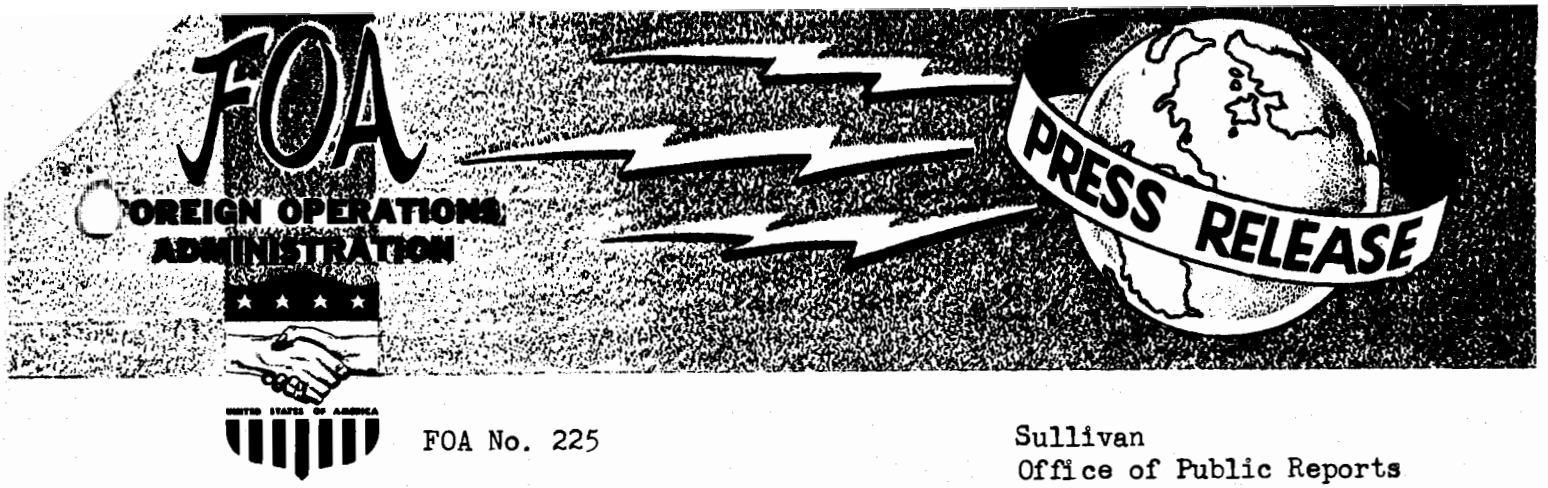

FOA No. 225

Sullivan
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Rm. 417, 806 Conn. Ave., NW

For Immediate Release

UNIVERSITY OF MICHIGAN
TO HELP MEXICAN SCHOOL

WASHINGTON, November 1 -- FOA today announced the signing of a contract under which the University of Michigan will assist the Government of Mexico establish and operate a training school for mechanics at El Olivar, Mexico City.

The students will be trained in the use and care of equipment for highway construction, agriculture, and transportation.

The Foreign Operations Administration has allotted $50,000 for the training program from fiscal year 1955 funds. Total cost for the two-year contract is an estimated $102,800.

The contract is another in a series of FOA agreements with American colleges and universities which enlist their participation in helping the free nations build stronger educational institutions and centers of technical knowledge as aids to their economic and social development. Including the agreement announced today, 51 contracts with 41 universities have been negotiated.

In addition to the training at El Olivar, plans have been made to bring some of the mechanics to the United States for specialized training.

Facilities for the school at El Olivar are owned by the Mexican Government.

Earnest Boyce, Chairman of the University's Department of Civil Engineering, will administer the program from Ann Arbor. Almondo A. Vezzani, professor in vocational education and practical arts of the School of Education, will be the chief technical adviser at El Olivar, where he is scheduled to arrive about November 1. He will remain there during the two years of the program.

In addition to Boyce and Vezzani, personnel for the program will include

a teacher trainer, not yet recruited, and short-time consultants on highway equipment utilization; diesel engine operation maintenance and repair; lubrication; welding, forging and heat treatment; equipment operation and use--bulldozers, power shovels, tractors, etc.--soils engineering as related to highway construction problems; and the use of explosives in highway construction.

The technicians will advise and assist the Mexican administrative officers and staff of the El Olivar School in matters relating to organization, administration, program planning and teaching techniques. In addition, they will advise and assist in the development of teaching materials and classroom aids and in the selection of workshop equipment, educational equipment and teaching aids, which will be provided through the FOA Mission in Mexico.

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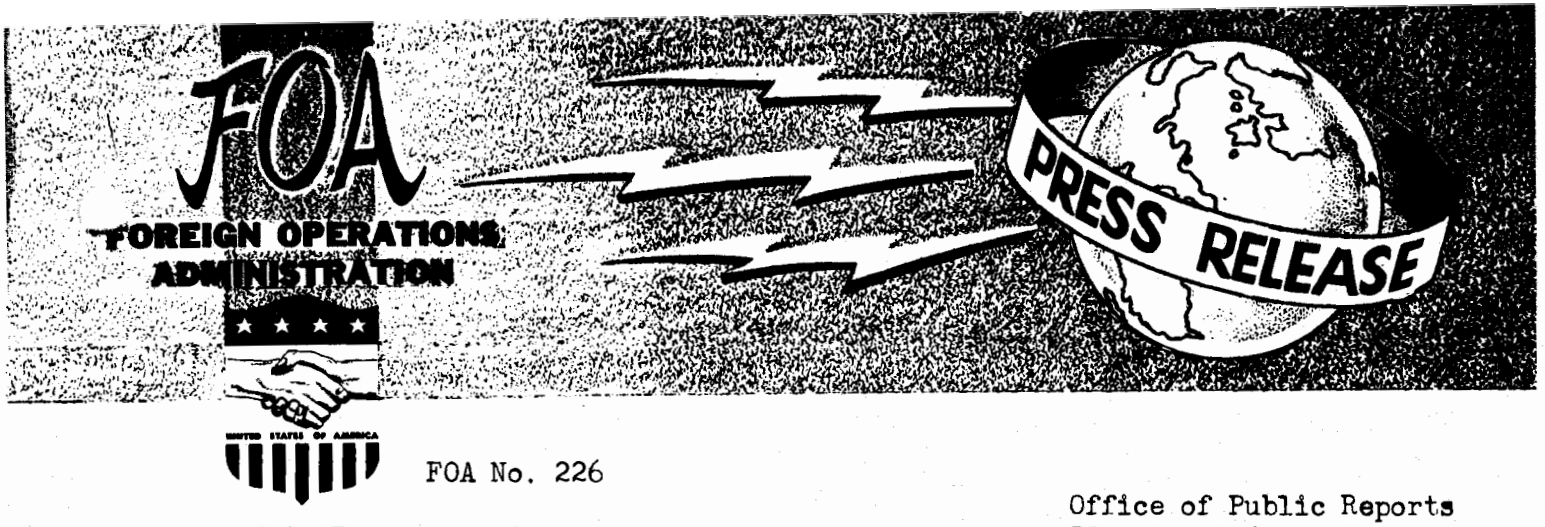

FOA No. 226

ADVANCE RELEASE For A.M. Papers
of Wednesday, November 3, 1954

Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 417, 806 Conn. Ave., NW

FOA'S DIRECTOR FOR REFUGEES
TO INSPECT EUROPEAN CENTERS

WASHINGTON, November 2 -- Mrs. Dorothy D. Houghton, head of FOA's Office for Refugees, Migration and Voluntary Assistance, leaves tomorrow for an inspection of refugee programs and operations in Europe and the Near East.

While in Europe, Mrs. Houghton will attend, as a U.S. Delegate, the conference of the Intergovernmental Committee for European Migration, in Geneva, Switzerland, November 22 to December 4. ICEM, composed of 24 member nations, assists people in moving from overcrowded areas of the world to less populated countries.

Following the ICEM conference, Mrs. Houghton will visit the German and Austrian offices of the Escapee Program which provide special assistance to persons escaping from behind the Iron Curtain.

Mrs. Houghton plans to return to Washington December 11.

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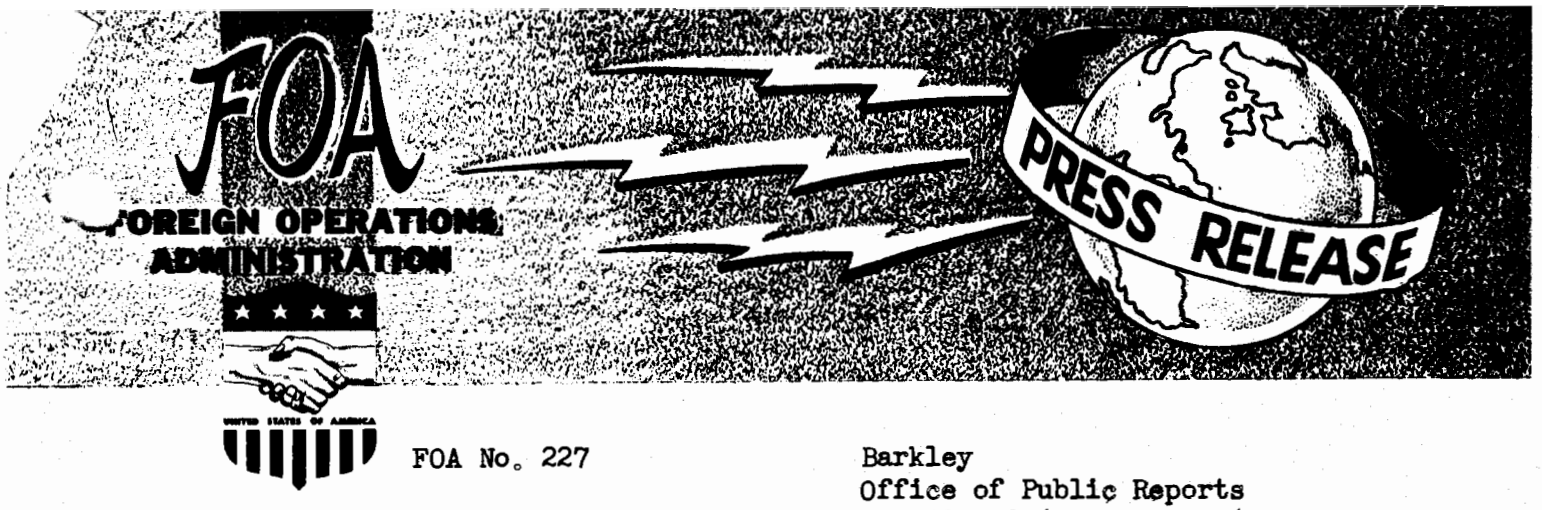

FOA No. 227

Barkley
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Rm. 417, 806 Conn. Ave., N.W.

For Immediate Release

IRAN GETS $127.3 MILLION
IN U.S. LOANS AND GRANTS

WASHINGTON, November 2 -- FOA announced today that the U.S. is prepared to offer aid to Iran in the form of loans and grants totaling $127.3 million.

Both Iranian and United States Government circles have concerned themselves recently with the indication that, even with an oil settlement accomplished, it would be three years until Iran's oil revenues would permit it to finance large-scale development from its own resources. To help Iran during the interim period, the U.S. has decided to make available up to $127.3 million which would be provided from both Foreign Operations Administration and Export-Import sources. This total includes: $21.5 million for a technical cooperation program; $52.8 million for consumer goods imports, which will be sold by the Iranian Government for local currency (rials), which in turn will be used to support basic governmental expenditures as has been done in the past year; and an additional $53 million largely for short term developmental assistance, which would be provided for specifically approved projects.

Iran has not yet fully developed its own plans for economic development although it has submitted proposed projects to the Export-Import Bank for preliminary considerations. Some time, however, will be required for Iran to fully prepare project plans, establish priorities among them and for the Bank to make its required investigations. Of the above $127.3 million, $85 million is being offered in the form of loans, the balance in grants; $15 million of the latter has already been allotted on an emergency basis.

With this assistance the Iranian Government will be able to finance essential Government operations as well as develop and initiate a sound economic development program.

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11/2/54

FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE

FOA No. 228

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 417, 806 Conn. Ave., NW

For Immediate Release

FOA CONTRACTS WITH INTERNATIONAL GROUP
TO TRAIN FOREIGN POLICE OFFICERS IN U.S.

WASHINGTON, November 4 — FOA today announced that it has contracted with the International Association of Chiefs of Police to provide training in the United States for 225 foreign police administrators and technicians during the next three years.

The project is part of the Foreign Operations Administration's program of technical cooperation with friendly foreign countries. Terms of the contract provide for training to be offered to about 75 outstanding police officials and younger officers each year, for periods ranging from a month to a year.

Dollar costs will be reimbursed by FOA up to $832,941 for the three years, with not more than $277,647 to be expended in the initial year. The first participants are to arrive in the U.S. after January 1 from Latin America, the Near East and Far East.

In the last several years an increasing number of countries from these regions have sought American technical advice on problems of police administration. FOA has been giving technical cooperation in this and other fields of public administration for some time, as a means of helping underdeveloped countries accomplish their economic development objectives. Some foreign police officers have been brought to the U.S. for brief periods of study or training in the last several years.

In some countries improved police administration is necessary for the maintenance of law and order, as a basic prerequisite to economic progress. In others, assistance is being requested on specific economic development problems such as traffic control in congested areas.

Technical cooperation projects for the improvement of police administration originate in the foreign country. FOA usually has sent a qualified public administration technician with police experience to the country as part of the public

administration work of the FOA Mission there.

Under the expanded technical program, the International Association of Chiefs of Police, working with FOA, will assume the major responsibility for the training in the U.S. of the foreign police officials, making arrangements with academic institutions and U.S. police agencies for the specific training program, furnishing technical literature and supervising the period of study.

The International Association of Chiefs of Police is a non-profit organization with 3,200 members in the U.S. and more than 20 foreign countries. Its president is I. B. Bruce, Chief of Police at Colorado Springs, Colo. The International headquarters is in Washington, D. C.

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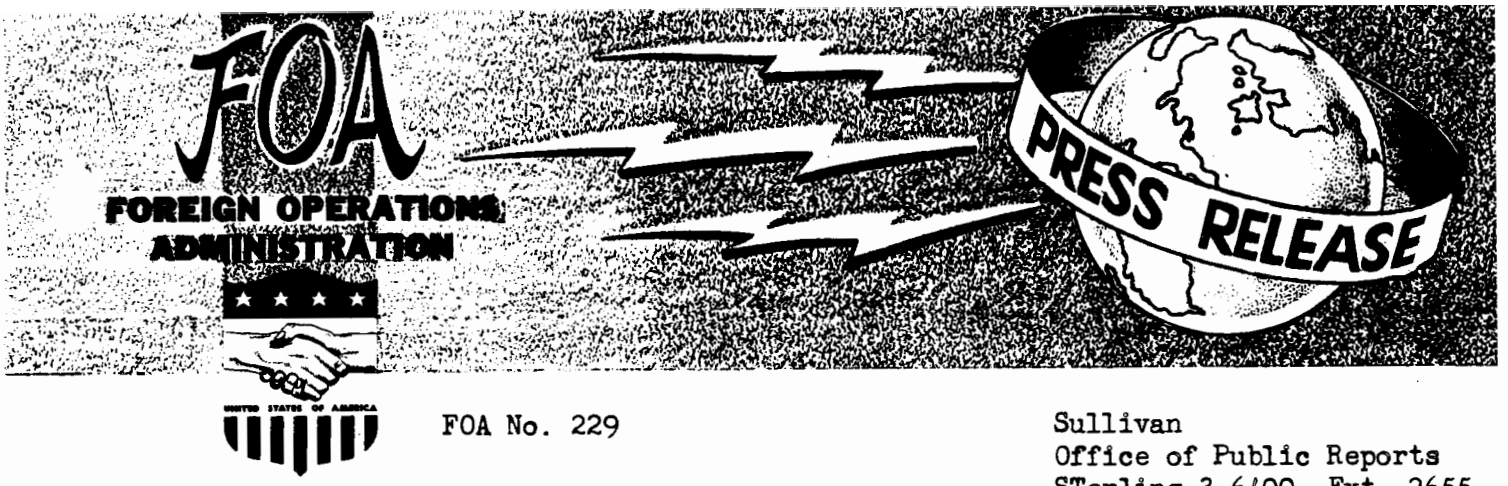

FOA No. 229

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Rm. 417, 806 Conn. Ave., NW

For Immediate Release

FOA DISASTER RELIEF
SET FOR HAITI FARMS

WASHINGTON, November 4 -- FOA announced today it had approved a $350,000 disaster relief program for Haiti in reply to Haiti's request for urgent assistance to cope with damage done by Hurricane Hazel.

The money will be used for seeds and light agricultural tools to permit replanting of destroyed crops and enable Haiti to stave off threatening hunger in the coming year.

FOA said this program is in addition to 10,000 tons of food the United States is already rushing to the stricken country.

The additional relief for Haiti will include 1,249,600 pounds of crop seeds, plus insecticides, fungicides, light agricultural tools like hoes, machetes, and scythes, and a limited quantity of fertilizer.

Although the new relief program is an FOA grant to the Government of Haiti, individual Haitian farmers, except in extreme hardship cases, will be asked to repay the seeds, either in cash or kind, from succeeding harvests. Repaid seeds will be used as a rotating store of seeds, while cash for payment will be used for strengthening Haiti's agriculture, as mutually agreed by the two Governments. Another benefit of the seed distribution will be improved seed strains available to Haitian farmers.

Initial distribution of the seeds and farm implements to needy farmers will be made by the joint Haitian-U.S. agriculture office (SCIPA), FOA said.

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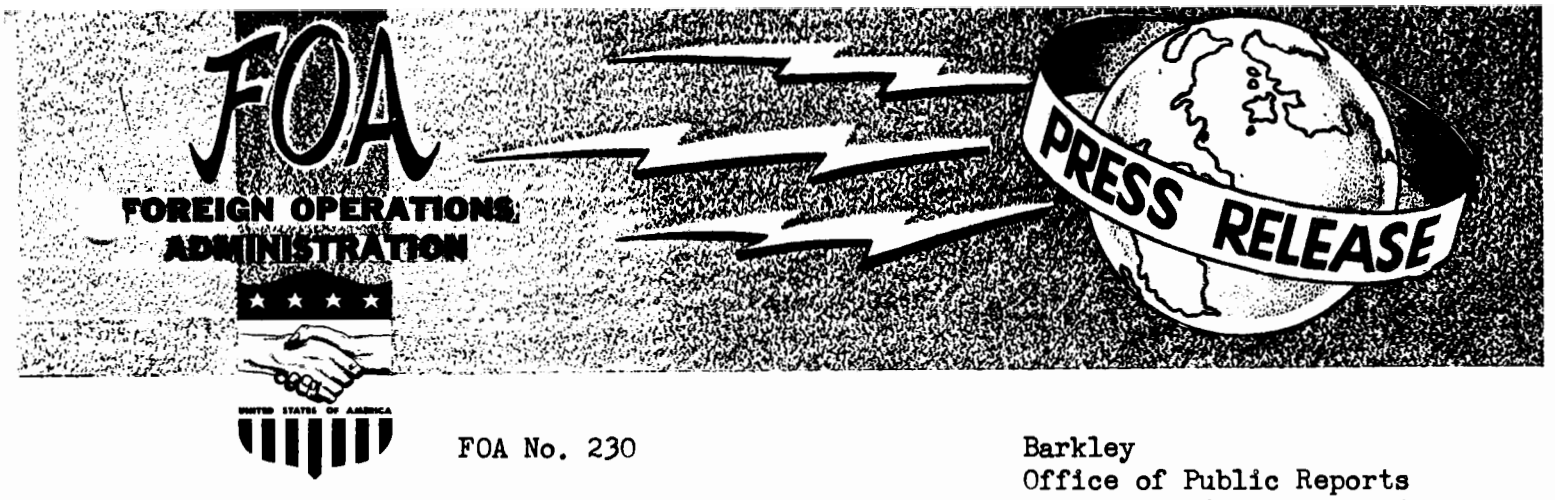

FOA No. 230

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For Immediate Release

SURPLUS U. S. WHEAT
BEING SENT TO LIBYA

WASHINGTON, November 4 -- FOA announced today that up to about 882,000 bushels of surplus U.S. wheat valued at $2,900,000 will be shipped to Libya over the next eight months to alleviate a severe shortage of food grain in that North African nation.

The wheat is being made available by the Foreign Operations Administration under provisions of the Agricultural Trade Development and Assistance Act which authorizes the use of surplus U.S. farm commodities for relief purposes abroad.

The Libyan shipments will represent 24,000 tons of grain to be shipped from American ports at the rate of 3,000 tons, or about 110,000 bushels, a month.

The first consignment is now en route from Baltimore aboard the SS Exceller of the American Export lines.

The grain will be distributed by the Libyan Government in areas where distress exists because of poor crop conditions. The grain will be given to persons engaged on works projects in that country and to prevent hunger among Libyans. Arrangements for shipment of the wheat from this country were made in accordance with an agreement between the U.S. and Libya.

The grain will come from surplus stocks held in this country by the Commodity Credit Corporation.

It will be in addition to the 8,200 tons shipped to Libya earlier this year.

FOA has allocated $530,000 to defray the cost of transportation over the next eight months.

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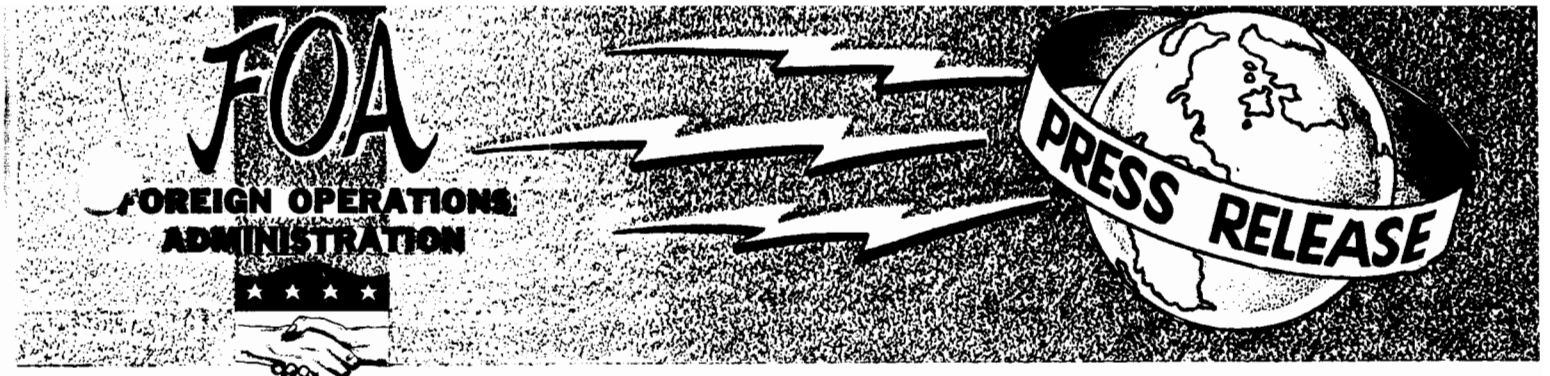

FOA No. 232

Barkley
Office of Public Reports
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For Immediate Release

DR. RONALD BRIDGES HEADS
FOA STUDY GROUP TO LIBYA

WASHINGTON, November 5 -- Dr. Ronald Bridges of Sanford, Maine, today was named by FOA Director Harold E. Stassen to head an evaluation team which will go to Libya to study the FOA assistance program there.

The Libya survey is one of a series of on-the-spot appraisals of FOA programs overseas.

On the team with Dr. Bridges, a prominent educator, are three members of the Washington staff of the Foreign Operations Administration. They are Jeremy Blanchet of the research staff; Richard R. Bogardus of the controller's office, and William Hartman of the Office of Food and Agriculture.

The group is scheduled to leave November 6 and will be in Libya for about three weeks. Members will confer with FOA staff officers and technicians at work in Libya, will visit projects which Libya is carrying out with U.S. cooperation, and in general will study the scope and effectiveness of the U.S. Operations Mission Program in Libya. A report will be made to Stassen upon Dr. Bridges' return from the North African country.

In December 1951, Libya became an independent country as a result of a United Nations decision. Its one and one quarter million people are mainly dependent on agriculture.

U.S. assistance through FOA has been approximating a million and a half dollars annually. It emphasizes technical cooperation designed to improve the nation's economic condition.

Dr. Bridges, a brother of Senator Styles Bridges of New Hampshire, was president of the Pacific School of Religion at Berkeley, Calif., 1945-50. He has been a lecturer and writer on economics and politics since 1934 and holds degrees from Bowdoin College, Harvard University, Pacific University, Grinnell College, Elon College, Pacific School of Religion and Nasson College.

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11/5/54

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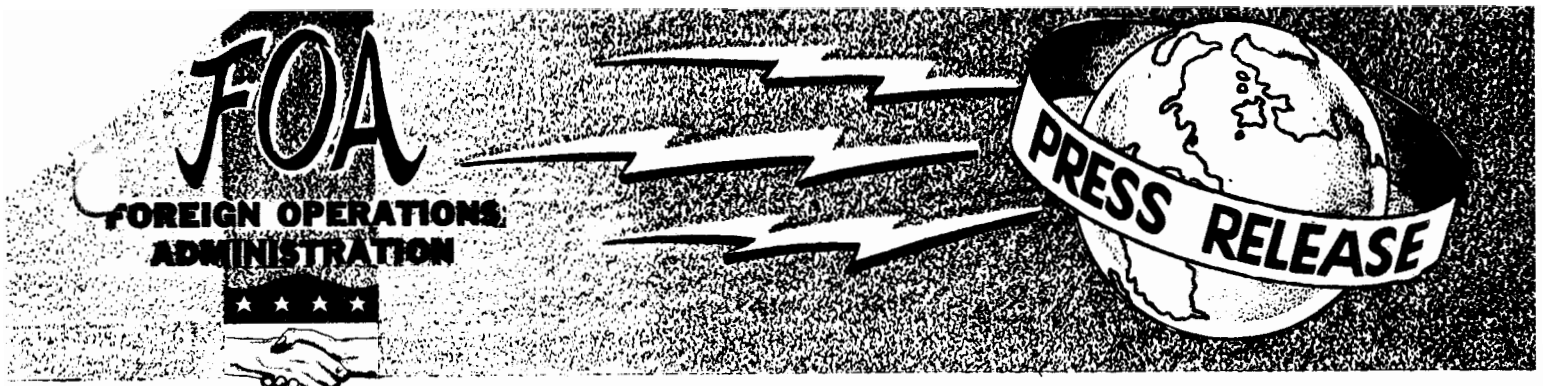

FOA No. 233

For Release in A.M. Papers of
Thursday, November 11, 1954
(For Simultaneous Release in
Washington, Saigon, Phnom Penh
and Vientiane)

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 417, 806 Conn. Ave., NW

FOA ESTABLISHING SEPARATE MISSIONS TO CONDUCT
U.S. OPERATIONS IN CAMBODIA, LAOS AND VIETNAM

WASHINGTON, November 10 -- FOA today announced that it is establishing separate U.S. Operations Missions in Cambodia and Laos to carry on the expanded programs of economic support and technical cooperation which are being planned with each of these independent countries which formerly with Vietnam comprised the Associated States of Indochina.

The Missions will be located in Phnom Penh, capital of Cambodia, and Vientiane, administrative capital of Laos.

Since 1950 a single U.S. Mission located in Saigon, Vietnam, has supervised the programs of the Foreign Operations Administration and its predecessor agencies in all three countries. The Mission has had small branch offices in Cambodia and Laos, in charge of FOA Special Representatives.

The Saigon Mission is being continued as the Mission to Vietnam. Leland Barrows, who has been Director of the U.S. Operations Mission to Greece since 1952, arrived in Saigon last week to become its Director.

Gerald M. Straus, who since last April has been FOA Special Representative in northern Vietnam, stationed at Hanoi, has been designated Acting Director of the Mission to Cambodia. Straus and a small staff have been in Phnom Penh for several weeks.

A Mission Director has not yet been appointed for Laos.

Both the United States and France have reaffirmed their intention to support the complete independence of Cambodia, Laos and Vietnam, and to continue to assist all three countries in their efforts to safeguard their freedom and

- more -

independence and to advance the welfare of their peoples.

In addition to the economic assistance previously extended by the U.S. directly to Cambodia, Laos and Vietnam through the FOA Mission, the U.S. has in the past, through the French Government, given military assistance and financial support for the Associated States and French expeditionary forces in Indochina. On September 29, 1954, the U.S. and France announced that the channel for U.S. and for French economic assistance, financial support and other assistance to Cambodia, Laos and Vietnam would be direct to each State.

In order to make effective direct relations with each State, the United States has already announced the establishment of an embassy in Phnom Penh and a legation at Vientiane and is now establishing FOA Missions in each capital to administer the separate economic programs.

FOA economic assistance to the Associated States since 1950 has totaled about $96 million in such fields as agriculture, health, sanitation, public works and education. In Cambodia irrigation has been a major undertaking.

An important current problem in Vietnam is the resettlement of nearly 500,000 refugees from northern Vietnam and the rehabilitation of the country following the cessation of hostilities. The emphasis of the FOA programs is on assisting these three new nations financially and with technical cooperation toward economic and social stability.

Straus, born in Paris of American parents and educated in France and Switzerland, was engaged before World War II in manufacturing, production and sales promotion enterprises in France, and for four years was associated with the Studebaker Corporation in the U.S. and France. After working in Washington for the Foreign Economic Administration in 1942 and 1943, he was sent to Dakar, French West Africa, in 1944 as that agency's Deputy Special Representative. From 1948 to 1950 he was an official of the Joint Export-Import Agency of the U.S. Military Government in Germany, and from 1950 to 1953 he was with the Mutual Security Mission to France, becoming Chief of the Defense Requirements Division.

Barrows has served overseas since 1948 with FOA and predecessor agencies. After assignments in Paris, he went to Rome as Deputy Chief of the Mission to Italy. Transferred to Athens in 1952 as Deputy Chief of the Mission to Greece, he became Director the following October.

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11/9/54

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International Development Advisory Board

FOREIGN OPERATIONS ADMINISTRATION
WASHINGTON 25, D. C.

11/8/54

Following is a summary of a report entitled "An Economic Program for the Americas" adopted by the International Development Advisory Board, presented to the President this afternoon by Eric Johnston, Chairman of IDAB, and J. Peter Grace, Jr., member of IDAB and author of the report:

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Latin America, the report says, "needs our help now to build the higher standards of living which are the surest safeguards against Communist penetration and subversion."

The report emphasizes the pressing need for growth in inter-American trade and in the flow of United States private capital to Latin America, listing these facts:

"Latin America is our largest customer.

"It is our largest supplier of vital raw materials.

"It is our largest field of foreign investment.

"It has more people than we have and more than twice our area and yet its all-weather road mileage is only seven percent of ours and its electric power capacity only eight percent.

"Its greatest need is capital, but the net flow of new private capital from the United States in the four years ending 1953 averaged only $15 million a year, a fraction of what it ought to be."

The report lauds the recommendations made last year by Dr. Milton S. Eisenhower, Special Ambassador to the countries of Latin America, as a "thorough-going and brilliant analysis of United States-Latin American relations in all its aspects."

The program now presented by the Board, it is said, is proposed as a means of carrying out the recommendations of the Eisenhower Report in the economic field.

The IDAB report recommends that the program of U.S. action include authority to:

"Assist individual countries in the development of an over-all economic plan so that available local resources and assistance from the United States will be used to the best advantage of the economy of that country . . . We view this function as the key to a successful program which must be executed with vigor and imagination.

"Carry on the functions of the convertibility and expropriation insurance authorized by the Mutual Security Act insofar as it relates to Latin America.

"Study ways and means of using tax incentives to encourage the flow of foreign private investment, including the feasibility of bilaterial tax treaties incorporating reductions in tax rates.

"Assist in the preparation for presentation to appropriate lending agencies of projects contributing to the economic development of the country which, under present conditions, cannot be financed by private institutions, but which would improve the investment climate for the flow of private capital.

"Assist in the development of the most efficient use of local savings by providing technical assistance in establishing local securities markets, industrial mortgage banks, agricultural land banks and other private institutions designed to channel local savings and proceeds from outside loans into productive enterprise.

"Provide technical advice for the development institutions of Latin American countries and for the establishment of such institutions in countries where they are needed and do not exist.

"Encourage direct private investment by helping to obtain loans from private United States financial institutions for new ventures undertaken by either private United States or local capital, or combinations thereof.

"Study ways and means of eliminating existing trade barriers and developing greater export markets.

"Continue and expand the work of the Technical Cooperation program of the Foreign Operations Administration in Latin America, with increasing emphasis on projects which will promptly increase the standards of living of the poorest portion of the populations of the countries affected.

"Promote increased tourist travel to and from the United States and Latin America.

"Insure maximum consideration for Latin America in the national stockpiling program."

Other recommendations advocate promotion of trade and industrial fairs and conventions; coordination of United States activities with the operations of the World Bank and the International Monetary Fund; encouragement of voluntary technical assistance projects being carried on by private foundations, business corporations, and educational and religious groups; encouragement of the exchange of students and

teachers and the study of the history and culture of the American republics; and assistance to the United States Information Service in emphasizing to the peoples of Latin America the benefits of the free enterprise system.

Most of the needed "legislative sanctions" and "executive functions" to carry out these recommendations already exist, the report notes. But the functions of "coordination, direction, and drive" are missing. The report recommends that the President "call upon his Advisory Committee on Government Organization to examine all U.S. Governmental activities relating to Latin America with a view to determining whether and by what means a greater degree of cohesion and coordination may be achieved."

"No aspect of our foreign policy deserves more immediate or more serious consideration," the report declares. "None has more profound implications for our security and growth."

The report was prepared for the Board by one of its members, J. Peter Grace, Jr., President of W. R. Grace & Co., New York. Other members, in addition to Chairman Johnston, are Gardner Cowles of New York; Dr. Robert P. Daniel of Petersburg, Va.; Harvey S. Firestone of Akron, Ohio; Maurice A. Hutcheson of Indianapolis, Ind.; Dr. W. I. Myers of Ithaca, N.Y.; Herschel D. Newsom of Washington, D.C.; Dr. Thomas Parran of Pittsburgh, Pa.; Mrs. Robert L. Vann of Pittsburgh; and L. F. Whittemore of Boston.

The report takes note of the alleged "unfavorable climate" for investment in some Latin American countries with the declaration:

"The longer the United States waits for investment climates to become <u>more</u> favorable, the more time Communists will have to make them <u>less</u> favorable..."

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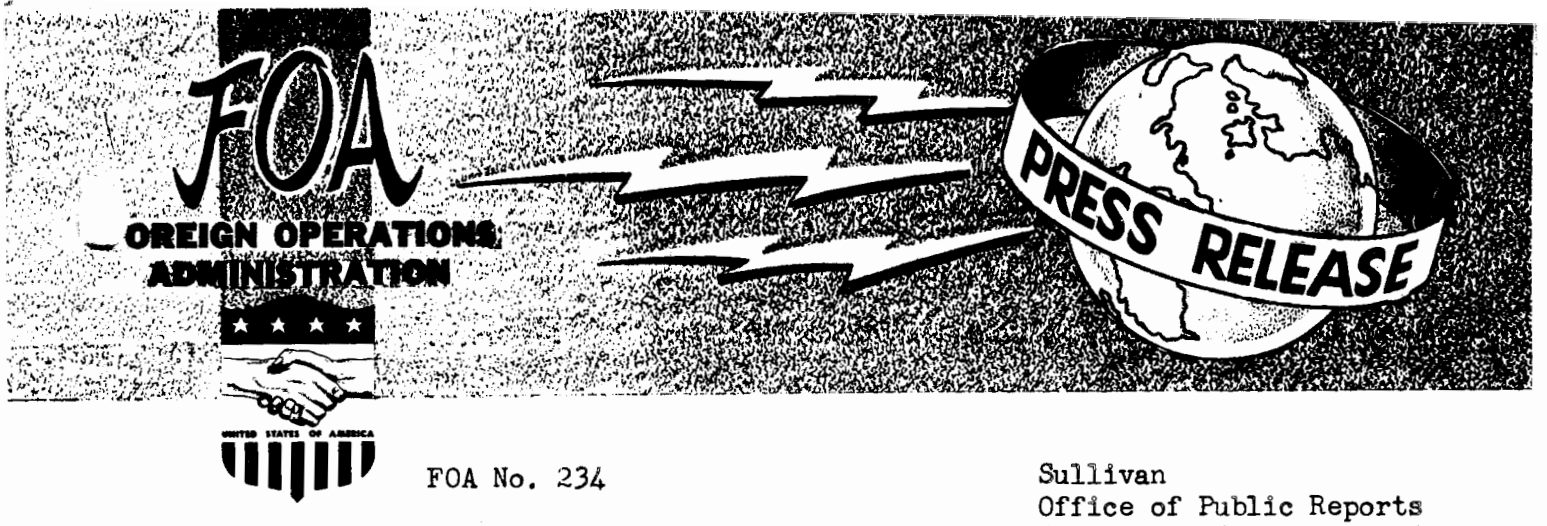

FOA No. 234

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For Immediate Release

STASSEN NAMES GEORGE HACKNEY OF NEW YORK TO HEAD FOA PROGRAM IN EL SALVADOR

WASHINGTON, November 12 -- George E. Hackney of New York today was named director of the U.S. Operations Mission to El Salvador by FOA Director Harold E. Stassen.

His appointment to the Foreign Operations Administration post fills a vacancy created by the resignation of George N. Butler, country director in El Salvador since April 1952. Butler is now serving with the United States Information Agency in Venezuela.

A partner in the New York brokerage firm of Hackney and Company, Hackney's background, includes experience in manufacturing, law, investment banking, real estate, and importing.

Hackney, in addition to his brokerage partnership, is chairman of the board of Pervel, Inc., drapery manufacturers and a director of the Plastic Film Corp., New York.

He is a graduate of Princeton University and of the University of Pennsylvania (law), and attended Oxford University, England, for one year. Hackney has also studied languages at the Universities of Madrid and Rome.

Mr. and Mrs. Hackney live at 325 East 79th Street, New York City.

The FOA technical cooperation program in El Salvador emphasizes industry, labor, health and sanitation, public administration, education, agriculture, fisheries, and forestry. The U.S. contributed $575,000 to the program last year.

FOA has just signed an agreement with the Government of El Salvador for the establishment of a new productivity center at San Salvador, the first such FOA center in Central America. FOA has allocated $50,000 for the center for the current fiscal year, which El Salvador is to match. Through last June 30, a total of 32 industrial, mining, or labor grants for Salvadorans to receive training in

- more -

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U.S. were made.

In the health and sanitation program three hospitals and 15 health or health-hospital centers have been constructed and operated, 15 water supply and 15 sewage disposal systems have been built, and public markets, public laundries, and slaughterhouses have been constructed. Other programs included health education campaigns and malaria control projects.

With the aid of FOA's agricultural program in El Salvador sugar and corn production has been increased by 50 percent; cotton, 60 percent; and coffee, 20 percent. Since the start of the program in 1942, about 8,000 additional acres of land have been brought under cultivation.

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11/12/54

List C (11)

M/PR - Wilson, R.
Rm. 400-M

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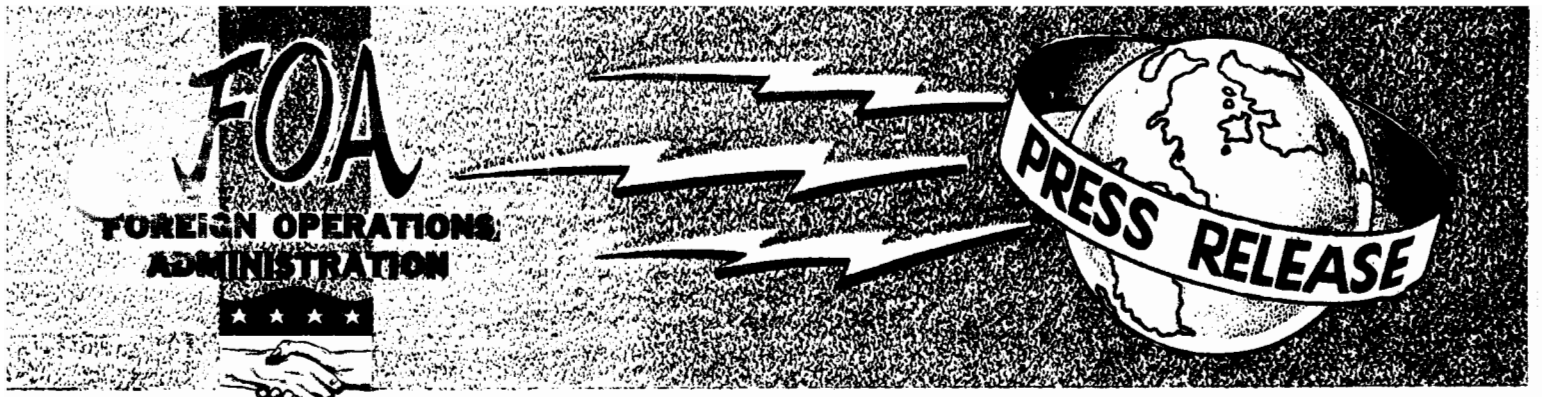

FOA No. 235

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For Immediate Release

REGIONAL MEETING FOR FOA DIRECTORS
IN NEAR EAST, SOUTH ASIA AND AFRICA

WASHINGTON, November 16 -- Directors of FOA Operations Missions in 15 countries of the Near East, South Asia and Africa will hold a three-day meeting November 18-20 in Athens, Greece, to discuss U.S. economic technical cooperation programs in that area.

Key personnel from the Washington headquarters of the Foreign Operations Administration who are directly concerned with operations in the region will attend the sessions.

The purpose of the conference is to provide on-the-spot review of programs and problems, an exchange of information between the various country directors and between the FOA Washington staff officials and the men in the field. A similar conference was held in Istanbul, Turkey, last year.

Similiar conferences have been held in the past for directors of FOA programs in other areas of the world.

Mission Directors who will attend the Athens conference are those in Afghanistan, Egypt, Ethiopia, Greece, India, Iran, Iraq, Israel, Jordan, Lebanon, Liberia, Libya, Nepal, Pakistan and Turkey.

These countries receive economic and technical assistance from the U.S. to assist them in carrying out development projects in agriculture, education, health, natural resources, transportation and public administration.

American experts and technicians with the know-how in these fields are in the various countries working with the local people in developing projects.

The programs are designed to enable the countries themselves to develop their resources and lift their standards of living. The countries receiving the assistance contribute a major share of the cost.

11/16/54

FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE
UNITED STATES OF AMERICA

FOA No. 236

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 417, 806 Conn. Ave., NW

ADVANCE RELEASE for A.M. Papers
of Thursday, November 18, 1954

SANTA CRUZ AREA SEEN BOLIVIAN FOOD SOURCE

WASHINGTON, November 17 — Cultivation of millions of acres of Bolivian lowlands in the Santa Cruz area by 5,000 Southern European and Okinawan immigrant farm families and resettled native Indians could produce practically all the food for which Bolivia is now spending badly needed foreign exchange.

This conclusion is contained in a report made by a Foreign Operations Administration development group that recently returned to the United States.

A falling world demand for tin, Bolivia's principal export product, and the exhaustion of high-grade ore have resulted in an excessively high percentage expenditure of foreign currency for foodstuff, the report said. About 20 percent of the world's tin comes from Bolivia and tin accounts for about 95 percent of Bolivia's exports, it said.

The report lists 15 categories of crops and livestock which can easily be produced in the Santa Cruz area. Some of the products, and recent Bolivian import figures, include: sugar, 37,000 long tons in 1952; rice, 8,500 tons in 1952; edible fats and oils, 6,000 tons in 1953; livestock products, 4,700 tons in 1953; and cotton, 1,100 tons of raw cotton in 1953.

The Santa Cruz area, about the size of Montana, is the largest of Bolivia's nine Departments and one of the most sparsely populated. Containing an area of 143,097 square miles, (33.73 percent of the whole) it has a population of 286,145, or 9.48 percent of the total.

Although about three-fourths of the Bolivian population is Indian, only an insignificant number are found in the Santa Cruz area, and large sections of it are in a completely undeveloped state. The area will require extensive clearing, but its climate and soil conditions are suitable for agricultural development.

- more -

The reporting group, headed by Homer J. Henney, a special consultant of the Foreign Operations Administration and former dean, College of Agriculture, Colorado Agriculture and Mechanical College, recommended that the United States, consistent with its interests, provide technical and development assistance in cooperating with the Bolivian Government in the development of the Santa Cruz area.

Last year the Bolivian Government started a general development program for the Santa Cruz area after the United States allocated $12.5 million in development assistance and contributed $2 million to an emergency food production program in order to prevent famine and to stimulate economic diversification and development. These sums were in addition to regular U.S.-Bolivia technical cooperation programs in operation since 1942.

In view of anticipated U.S. aid in the project, the Development Group recommended that Bolivia consider selecting the immigrants from those countries in whose population problems the United States has expressed concern. Germany, Austria, Italy, Greece, The Netherlands, and Okinawa were named as such countries. The recommendation of the group is considered consistent with the type of settlers needed in this area development.

The report said that the President of Bolivia is "enthusiastic" about the immigration idea and that in the past Bolivian officials have often indicated an interest in immigrants who had experienced climatic and living conditions similar to those prevailing in the Santa Cruz area.

Colonization by foreign immigrants is already underway in the area, the Group reported. Among them are 400 Okinawans, who settled on 25,000 acres of land, 10,000 of which had been purchased for them by a small group of former Okinawans who have lived in Bolivia for many years. Other immigrants to the area include some Italians, Mennonites of German ancestry who came from the large Mennonite colonies in Paraguay, and several Latvian families.

The report recommended the resettlement of Indians of the Altiplano and Cochabamba areas, subsistence farmers now eking out a bare existence since cutbacks in mining in their areas have caused idleness and distress.

This phase of the proposed program would be managed by the Bolivian Government with U.S. technical and development assistance the report said.

Other members of the development group are: Matthew Drosdoff, U.S. Department of Agriculture; Dr. Burnet M. Davis, U.S. Public Health Service; Harold Mowry, U.S. Operations Mission to Costa Rica; Clayton Schroeder, USOM Panama; Ugo Carusi, Deputy Assistant Director for Refugees, Migration and Voluntary Assistance, FOA; and Edward Maguire, Refugees program officer.

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FOA
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PRESS RELEASE

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For Immediate Release

NORTH CAROLINA STATE AGREES WITH FOA
TO HELP PERU TRAIN TEXTILE ENGINEERS

WASHINGTON, November 16 -- FOA today announced the signing of a contract with North Carolina State College under which the U.S. college will help Peru's National School of Engineering improve its textile engineering instruction.

A technical assistant from North Carolina will serve as a liaison man for the program at the National School at Lima, with other professional and technical personnel taking short-term assignments at the school.

Foreign Operations Administration has budgeted $225,000 for the two-year contract. Present plans include a one-year extension of the contract, for a total cost of $300,000 for the three-year program.

The North Carolina staff will assist the National School in improving its textile engineering teaching methods and curricula, research projects and programs, and field extension and demonstration programs. To strengthen the National College staff, North Carolina will also help select faculty and other staff members and graduate students of the Peruvian college for training in the United States at North Carolina or other institutions.

The contract announced today is the 52nd in FOA's growing program to enlist the experience and skills of U.S. educational institutions in the over-all technical cooperation program with the free countries.

By helping to build stronger educational institutions and technical knowledge centers in underdeveloped regions the U.S. "can make within the next decade or two decades a tremendous contribution toward the fundamentals of the future peace and progress of the world," FOA Director Harold E. Stassen has said.

- more -

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Peru's textile industry employs more people than any other industry. Through the FOA technical cooperation program Peru hopes to develop skilled technicians who will help to increase the production of textiles for domestic use and to reduce their cost.

Funds allocated to Peru under FOA's technical cooperation program amounted to $5.9 million from July 1, 1951, through June 30, 1954. During the fiscal year ended June 30 FOA contributed $2,424,000 to the joint technical cooperation program. Peru, for the same year, contributed $2,746,900.

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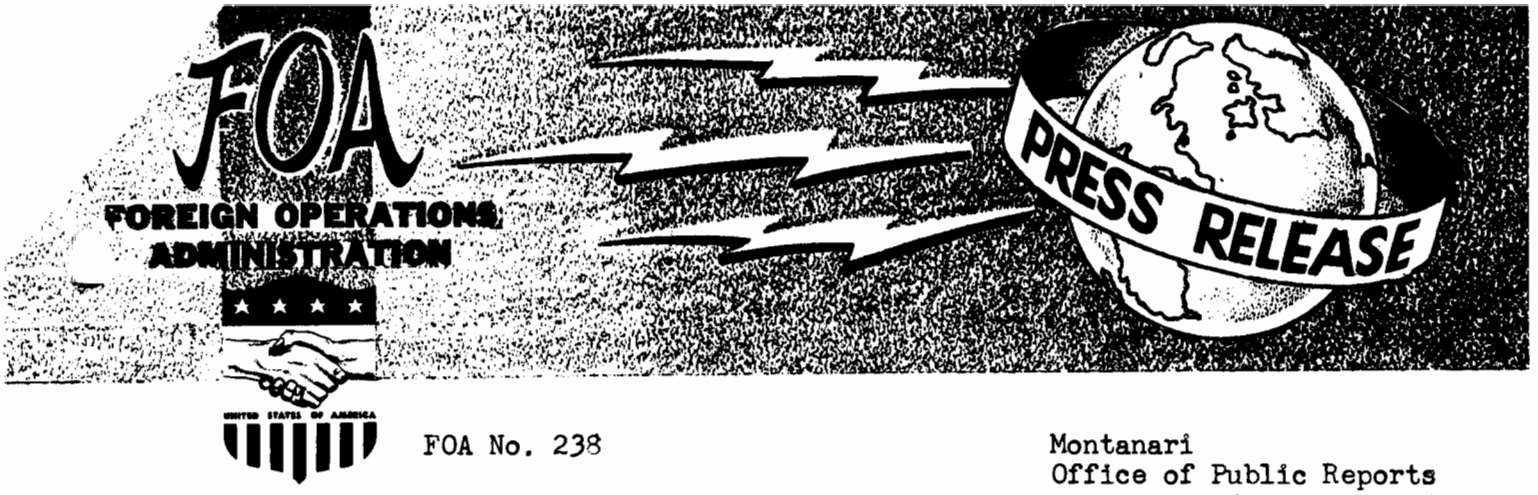
11/16/54



FOA No. 238

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For Immediate Release

EUROPEAN FOA CHIEFS TO MEET IN
PARIS WITH WASHINGTON OFFICIALS

WASHINGTON, November 16 -- A three-day meeting of directors of U.S. Operations Missions in the European area to discuss current problems and map the future conduct of FOA programs in Europe will open Wednesday in Paris, it was announced today.

Chairman of the conference will be Dr. D. A. FitzGerald, Deputy Director for Operations. It is one of three Foreign Operations Administration meetings scheduled for this week in Paris. The other two, opening Friday, will bring together the productivity officers and the labor officers, respectively, of the European Missions.

The Mission directors' meeting will be attended by FOA chiefs from 12 European countries and by Ambassador John C. Hughes, U.S. Representative to NATO and head of the U.S. Mission to NATO and European Regional Organization (USRO).

Topics to be taken up during the three-day sessions include European integration measures; currency convertibility and trade liberalization; and U.S. policies and program plans for Europe, including plans for the coal export and surplus agricultural commodities programs.

On Friday morning the Mission directors will hold their final session jointly with the first session of the productivity officers, to discuss policies and plans for the FOA technical exchange program in Europe.

A joint meeting of the productivity officers and the labor officers will be held Saturday afternoon to discuss the program to encourage free enterprise and competition, improve the technical efficiency of industry, agriculture and commerce and strengthen free labor unions.

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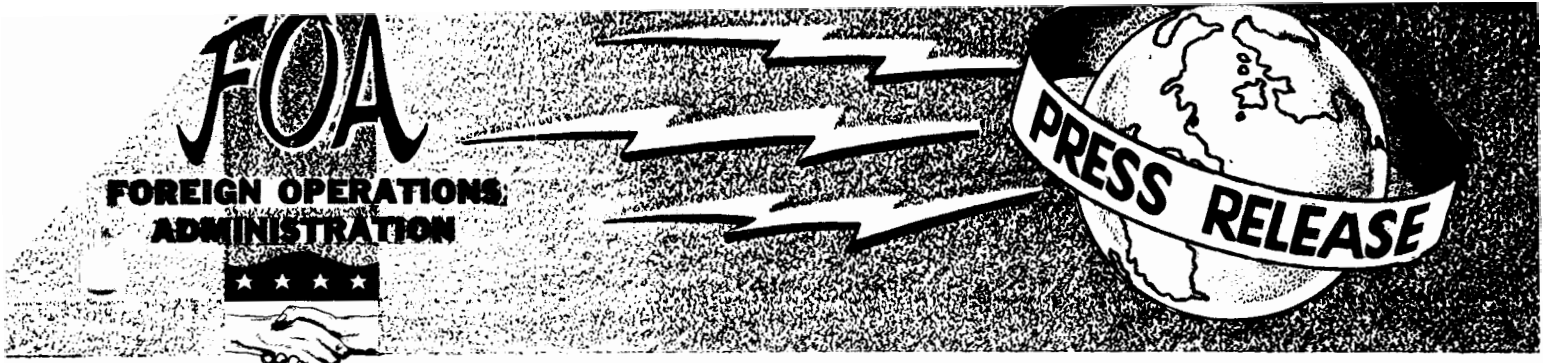

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For Immediate Release

FOA COMPLETES APPOINTMENT OF LABOR
ADVISERS FOR WORLD'S MAJOR REGIONS

WASHINGTON, November 18 -- FOA today completed the appointment of labor advisers for the four major areas of the free world with the naming of advisers for Latin America, the Far East, and the Near East.

Ray Coutts, vice-president of the American Train Dispatchers Association and former Labor Department aide, was appointed Latin American adviser; Carl Winn, an officer of the International Woodworkers of America, Far East adviser; and Cornelius Miller, former American Federation of Labor official, Near East adviser.

Last month Barney B. Taylor, assistant director of public relations of the United Automobile, Aircraft and Agricultural Implement Workers (CIO) was appointed area labor adviser for Europe, with headquarters in Paris. Coutts, Winn, and Miller will be stationed in Washington, but will travel extensively in the areas for which they are responsible.

The labor advisers will work with trade unions throughout the free world in their efforts to combat communist tactics and to lessen workers' susceptibility to communist propaganda.

The advisers will assist in the development of FOA's labor programs, in free world countries where Foreign Operations Administration labor programs are carried out through technical cooperation; specialized training in the United States of host country nationals; and briefing of labor leaders in the functions of independent unions under a free enterprise system.

Technical cooperation in the field of labor includes the sending of FOA technicians to help host countries develop codes of wages and working conditions, standards for women and children, labor statistics, employment services, and the like.

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As vice-president of the Dispatchers Association, Coutts dealt with a wide range of trade union activities such as negotiating collective bargaining agreements, settling grievances, and research in labor problems.

From November 1952 to October 1953, while on leave from his position as vice-president of the association, Coutts was assigned by the Labor Department to the Technical Cooperation Administration as a labor officer, and advised the Administrator and his staff on labor and manpower problems pertaining to technical cooperation programs.

Previous to his election to the vice-presidency of the dispatchers union in 1947, Coutts was employed by the Chicago, Rock Island & Pacific Railroad and by the Southern Pacific Railroad. He is a graduate of the University of Michigan. He studied economics at the University of Iowa. Coutts, a native of Grinnell, Iowa, is unmarried.

Winn, area labor adviser for the Far East, has been international secretary-treasurer of the International Woodworkers of America since November 1947. During World War II, while he was international vice-president of the union, he served in the U.S. Navy.

Miller, Near East Adviser, has had extensive experience in labor information. While with the United States Information Agency from July 1952 to November 1953, his duties as associate deputy director in Rome included the supervision of the special labor information program in cooperation with anti-Communist Italian trade unions. From October 1949 to July 1952 he served in the labor information program in the Office of the U.S. Special Representative, Paris, France. Before joining government service, Miller was employed as assistant publicity director of the American Federation of Labor, Washington, and as an editor with the Bureau of National Affairs, Washington. Miller is a native of Asbury Park, N.J.

Taylor, adviser for Europe, has been active in labor affairs for more than 15 years. In addition to holding UAW posts since 1948, Taylor served for more than a year as a member of Michigan's Economic Development Commission. Before joining the UAW, he was organization director of the National Farm Labor Union (AFL).

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11/18/54

FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE
UNITED STATES OF AMERICA

FOA No. 240

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For Immediate Release

53RD COLLEGE CONTRACT
TO BE FINANCED BY FOA

WASHINGTON, November 22 -- A three-year contract under which the University of California will help National Taiwan University on Formosa improve its facilities for agricultural education, research and extension was announced today by FOA.

California will send five professional and technical personnel to Taiwan, and over the three-year period will bring 18 faculty members and graduate students of the Formosan school to the California campus for up to 15 months of study.

The Foreign Operations Administration will finance the joint undertaking to a maximum of $425,250 for the three years. The Chinese Government's expenses, in Taiwan currency, are expected to be the equivalent of $260,000.

California will give technical assistance to the Taiwan school in surveying its needs and developing curricula, teaching methods, research organization and projects, and also in developing a system for spreading the results of research.

Ninety percent of Formosa's foreign exchange is earned by the export of agricultural products.

The Government now has a four year plan designed, through increases in agricultural and industrial production, to free its civilian economy from the need for outside economic aid. One phase of the plan is the improvement of agricultural education and research, and the development of means to channel agricultural knowledge and findings directly to the farmers. It is in this phase that the California college of agriculture will work with the National Taiwan University.

California is to provide some scientific and technical equipment for the National University. The California technicians also may provide advice to other

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agricultural institutions on Formosa as requested by the Taiwan University.

The project was arranged last fall when Dean Knowles Ryerson of California's College of Agriculture and E. J. Fenston, member of the Board of Regents, went to Taiwan to discuss possibilities for cooperation between the two schools.

This is the 53rd in the series of FOA-supported agreements under which American colleges and universities are helping free nations build stronger educational institutions and centers of technical knowledge as aids of their economic and social development.

By helping to build stronger educational institutions and technical knowledge centers in underdeveloped regions the U.S."can make within the next decade or two decades a tremendous contribution toward the fundamentals of the future peace and progress of the world," FOA Director Harold E. Stassen has said.

Under two previous contracts Formosa's College of Engineering is being helped by Purdue University to improve and expand its staff and facilities, and the Taiwan Teachers College is being helped by Pennsylvania State College toward improved teacher training in vocational education.

The Formosa contract is the second for California, whose School of Medicine, under FOA contract, is helping to improve the medical schools and health services in Indonesia.

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11/22/54

List C (12)

M/PR - Newman, J.
Rm. 411-M

FOA
FOREIGN OPERATIONS ADMINISTRATION
UNITED STATES OF AMERICA
PRESS RELEASE

FOA No. 241

Day
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For Immediate Release

FOA OCEAN FREIGHT SUBSIDY OF $4.8 MILLION MOVES
$70.4 MILLION WORTH OF SUPPLIES TO 16 COUNTRIES

WASHINGTON, November 23 -- FOA contributed ocean freight subsidies of $4,828,387 during the last fiscal year to help 27 American voluntary agencies move $70,476,667 worth of relief and rehabilitation supplies to 16 foreign countries, it was announced today.

The shipments, made up of food, clothing, medical and other relief supplies weighing 221,482,805 pounds, went to countries in Europe, the Middle East, Africa and the Far East in the 12-month period which ended June 30.

These are countries which had agreed with FOA to provide duty-free entry of the supplies and pay inland transportation to the points of distribution, as required by Section 409 of the Mutual Security Act of 1954.

For some years the United States has furthered the humanitarian activities of American voluntary relief and rehabilitation agencies by paying ocean freight costs on their relief shipments to certain countries. Eligible agencies are those registered with the Advisory Committee on Voluntary Foreign Aid, which is headed by Charles P. Taft.

The authority for this ocean freight subsidy program was initially provided in the Economic Cooperation Act of 1948 and subsequently carried forward each year by provisions of the Mutual Security Acts. The program is administered by the Voluntary Foreign Aid Division of FOA's Office for Refugees, Migration and Voluntary Assistance.

During the year the voluntary agencies sent commodities they had received as donations from the American public and also surplus food commodities obtained from the Department of Agriculture under Section 416 of the Agricultural Act of 1949 (which has now been amended by the Agricultural Trade Development and Assistance Act of 1954, Public Law 480).

The countries received through the voluntary agencies 76,087,673 pounds of

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food, clothing, medical and other relief supplies which had been donated by the American public. These supplies were valued at $25,834,383 and FOA paid $1,619,393 to transport them overseas.

Surplus food commodities, which included dry skim milk, butter and cheese, accounted for an even larger portion -- 145,395,132 pounds valued at $44,642,284 on which FOA paid $3,208,994 in transportation charges.

The agencies, and the ocean freight charges which FOA reimbursed to each, are as follows:

American Baptist Relief, $728; American Friends of Austrian Children, $17,875; American Friends Service Committee, $104,471; American Jewish Joint Distribution Committee, $41,955; American-Korean Foundation, $26,774; American Middle East Relief, $3,617; American Mission to Greeks, $416; American National Red Cross (India only), $27,325; American ORT Federation, $136; Assemblies of God Foreign Service, $4,137; Church World Service, $919,137; Cooperative for American Remittances to Everywhere (CARE), $380,342; Foster Parents Plan for War Children, $22,107;

Greek War Relief Association, $33,992; International Rescue Committee, $103,582; Iran Foundation, $71,885; Little House of St. Pantaleon, $2,386; Lutheran World Relief, $493,757; Mennonite Central Committee, $59,922; Near East Foundation, $294; Refuge des Petits, $190; Salvation Army, $1,156; Save the Children Federation; $28,953; Tolstoy Foundation, $575; Unitarian Service Committee, $3,218; United Lithuanian Relief Fund of America, $4,120; and War Relief Services of the National Catholic Welfare Conference, $2,470,323.

The countries, and the value of goods distributed in each, are as follows:

Austria, $4,250,668; France, $1,430,215; Germany, $27,859,655; Greece, $3,526,175; Italy, $14,919,197; Trieste, $1,022,747; Yugoslavia, $1,879,455; Morocco, $386,760; Tunisia, $98,741; Iran, $566,476; Lebanon, $954,696, India, $1,996,192; Pakistan, $1,016,740; Formosa, $1,129,923; Hong Kong, $125,173; and Korea, $9,313,867.

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11/23/54

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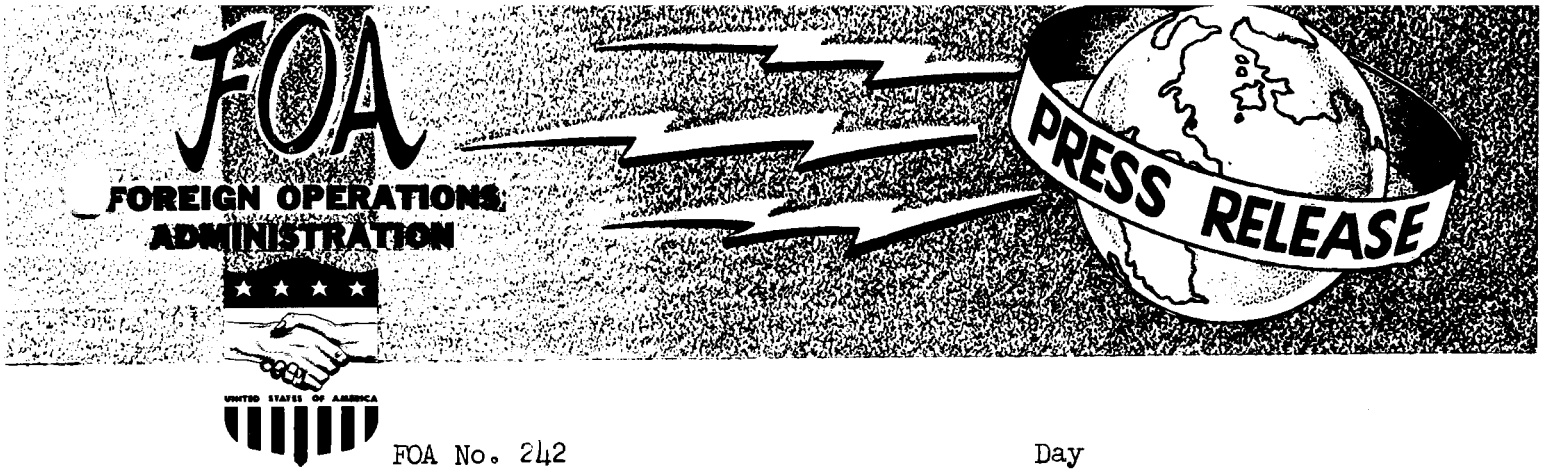

FOA No. 242

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For Immediate Release

$92 MILLION ALLOTTED
FOR KOREA'S ECONOMY

WASHINGTON, November 26 -- FOA announced today the allotment of an additional $92 million towards carrying out the economic portion of a total program of up to $700 million for military and economic assistance to the Republic of Korea in fiscal 1955.

This, combined with an earlier allocation by the Foreign Operations Administration of $45 million, brings to $137 million the amount made available against this fiscal year's U.S. commitment of approximately $280 million in economic assistance alone.

The FOA in cooperation with U.S. and UN agencies in the field and with the ROK Government is moving with speed to compensate for three months lost while negotiating agreement with the ROK on matters bearing on the aid program. The agreement was signed on November 17.

The $280 million economic program now being launched provides assistance to all portions of the Korean economy. Primary emphasis will be placed on rebuilding power plants, improving transportation facilities, and importing large quantities of raw materials and consumer goods required to offset the mounting inflation brought on by huge expenditures for the ROK army.

That part of the Korean aid program which provides relief in the form of essential food, medical supplies, clothing and housing material is supervised by the U.S. Army. Other activities including the reconstruction of Korean mines, small industries, health and education facilities and fisheries are under the direction of the UN Korean Reconstruction Agency.

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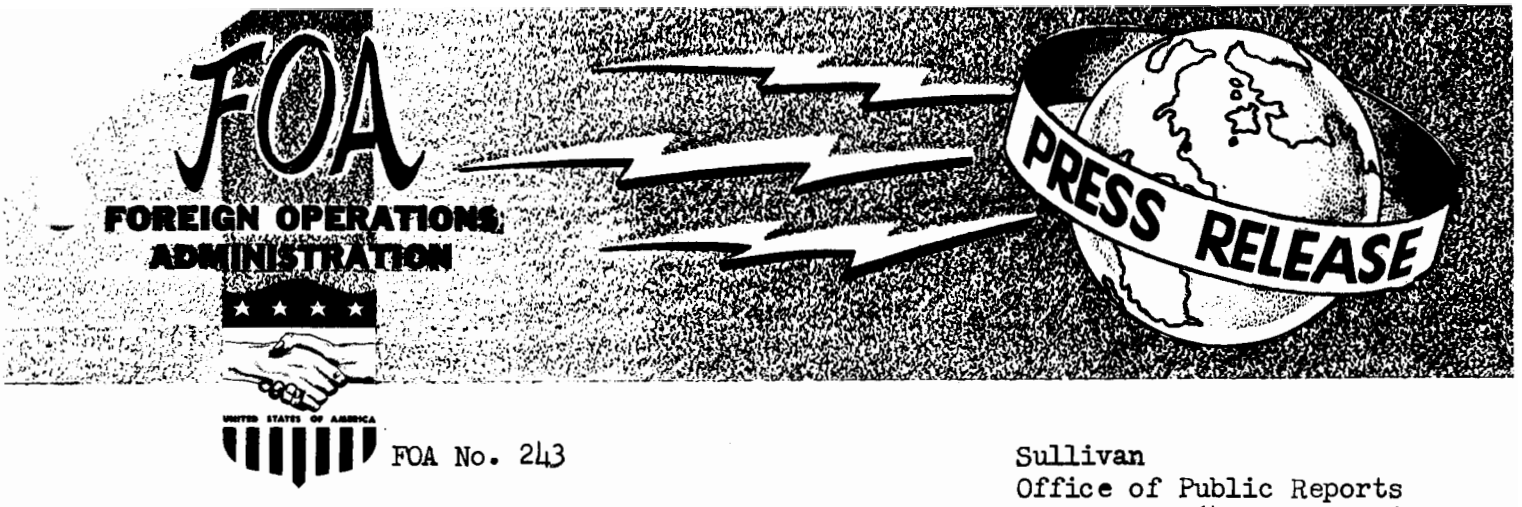
11/26/54



FOA No. 243

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For Immediate Release

FOA DESIGNATES MACAULAY HEAD
OF MISSION IN BRITISH GUIANA

WASHINGTON, November 30 -- Charles S. Macaulay of Morris, Illinois, today was named director of the United States Operations Mission to British Guiana by FOA Director Harold E. Stassen.

British Guiana, an English dependency in northeastern South America, has a large air base leased by the United States.

W. Alan Laflin, FOA country director for Surinam, has been acting as director for British Guiana since last June, when the University of Maryland and the Foreign Operations Administration signed a three-year technical cooperation contract. Under the contract Maryland will send specialists to British Guiana to provide technical advice and training for a far-reaching economic and social development plan. Funds for the plan are being provided by the United Kingdom and the Government of British Guiana, with the equivalent of $25,000,000 already budgeted for the first two years.

Macaulay, program officer with the FOA Mission to Israel since March 1952, will serve as liaison between the University specialists and the Government of British Guiana.

Specialists in agriculture, engineering, housing, public health, community organization and development, transportation, and technical training will work with similar British Guiana specialists to help develop the plan. Initially, work will be done in agriculture, including land reclamation and resettlement; housing and engineering.

In Israel Macaulay served as principal adviser to the FOA country director in the organization and coordination of projects in agriculture, natural resources, public administration and government services, industry, health, sanitation and education.

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From February 1951 to March 1952 he was director of administrative services for the Department of the Interior in American Samoa and served with the Department of the Army in Tokyo and Okinawa as a budget officer from 1947 to 1951.

As Chief of Mission and Liaison Officer with the Intergovernmental Committee on Refugees in 1946 and 1947, Macaulay negotiated an agreement with Venezuela and Chile to receive displaced persons from Europe.

Macaulay, a graduate of the University of Chicago and Chicago Kent College of Law, is also an attorney and was associated with the law firms of Rubens, Fischer, Messer & Barnum, and the Arthur J. Hughes Law Office, both in Chicago. He is married and has one child, a son.

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11/30/54

FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE

FOA No. 244

Barkley
Office of Public Reports
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For Immediate Release

STASSEN NAMES NEW HEAD
OF AFGHANISTAN MISSION

WASHINGTON, December 2 -- Robert M. Snyder has been named Director of the FOA mission in Afghanistan, Harold E. Stassen, Director of Foreign Operations announced today.

Snyder is due to arrive in the U.S from Karachi, Pakistan, where he has been chief agriculturalist for the FOA mission there for the past two years, for home leave sometime in mid-December. He is scheduled to take up his new post around February 1, 1955.

In Afghanistan he will succeed William J. Hayes, who is now on leave in the U.S. after serving as Mission Director there since July 1952.

Snyder, 42, a native of Lahmansville, W.Va., started his career in 1933 as a rural school teacher after graduating from West Virginia University. He later became a county agent in West Virginia and in 1942 joined the staff of the U.S. Department of Agriculture.

Except for a two-year period of service in the Navy during World War II, he was connected with U.S.D.A. until his FOA assignment to Pakistan in 1952.

During his stay in Pakistan, Snyder assisted the Government in planning and executing all phases of the agricultural development program which is rapidly becoming a strong part of Pakistan's economic structure.

Under this program, considerable progress has been made in such basic developments as research and demonstration, reorganization of provincial agricultural departments, soil conservation, forestry, training in farm machinery repair and maintenance, plant protection and grain storage.

Hayes, 50, of Knoxville, Tenn., was the first Director of the U.S Operations Mission to Afghanistan, having been appointed in July 1952. He planned, organized and directed the initial phases of the technical cooperation program in that country.

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A graduate of the University of Cincinnati, Hayes was connected with the Tennessee Valley Authority from 1934 to 1952 except for time out for military service from 1942 to 1945. From 1945 to 1946 he was on detail from TVA to the U.S. Department of State Allied Commission in Rome.

FOA projects are now underway in Afghanistan in six fields of activity with a staff of 47 technicians. Principal emphasis has been placed on assisting the Government of Afghanistan in planning and developing lands being made available in the Helmand Valley and in providing technical advice on agriculture, mining, engineering and educational problems.

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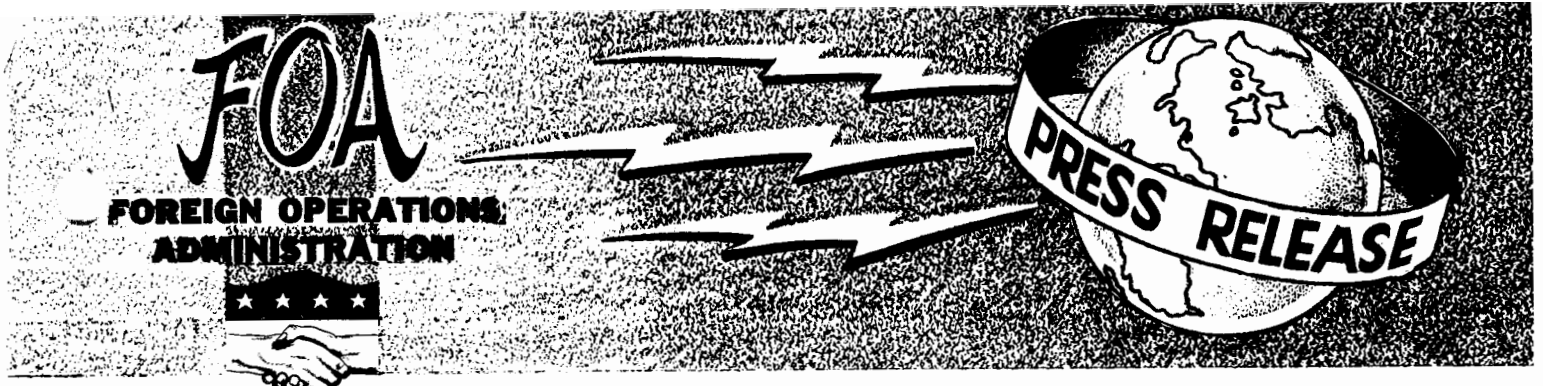
12/2/54



FOA No. 245

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For Immediate Release

20 MILLION
FOR GREECE
IN FOA AID

WASHINGTON, December 2 -- FOA today announced allotment of $20 million in economic assistance to Greece, half of which is earmarked for the purchase of surplus wheat in the United States.

The remainder of the Foreign Operations Administration allotment will be used to procure $10 million in other agricultural surplus commodities and industrial commodities.

So far during the current fiscal year, FOA has allotted $2.5 million in coal to Greece.

Greece, a vital link in the defense structure of the free world, has been receiving American assistance since the nation's liberation from the Nazis in 1944.

As Greece has moved forward, U.S. economic aid has been declining.

The country is allied with 13 nations, including the U.S., in the North Atlantic Treaty Organization (NATO). And by a treaty signed in 1953, Greek defenses are buttressed on both sides by those of Yugoslavia and Turkey, their combined military forces of almost a million men confronting any aggressor in Southeastern Asia.

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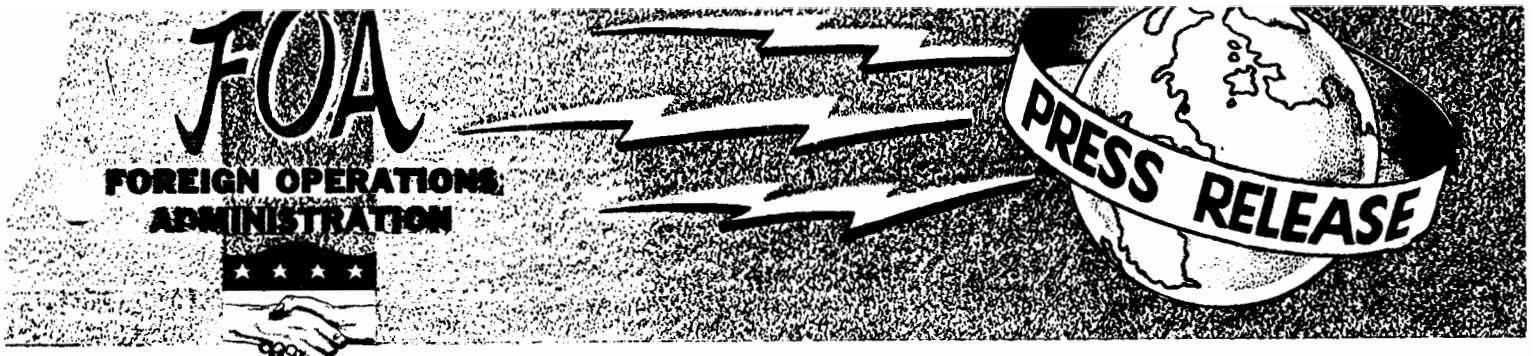
12/2/54

FOA
FOREIGN OPERATIONS ADMINISTRATION

PRESS RELEASE



FOA No. 246

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 417, 806 Conn. Ave., NW

ADVANCE RELEASE For Sunday Papers
of December 5, 1954

IDAHO UNIVERSITY TO AID
TWO COLLEGES IN ECUADOR

WASHINGTON, December 4 -- FOA today announced the signing of a contract under which the University of Idaho will help the national Universities of Quito and Guayaquil in Ecuador improve teaching and research in agriculture.

The contract provides for projects in veterinary medicine, irrigation, poultry, soils, horticulture, and vocational agriculture.

The Foreign Operations Administration has allotted $123,000 for this technical assistance program from fiscal year 1955 funds. Total cost for the three-year contract is an estimated $370,000.

The contract announced today is the 54th in FOA's growing program to enlist the experience and skills of U.S. educational institutions in the over-all technical cooperation program with the free countries.

By helping to build stronger educational institutions and technical knowledge centers in underdeveloped regions the U.S. can "make within the next decade or two decades a tremendous contribution toward the fundamentals of the future peace and progress of the world," FOA Director Harold E. Stassen has stated.

George W. Woodbury, head of Idaho's Department of Horticulture, will be chief technical adviser for the program in Ecuador. He will be accompanied by five agricultural research technicians from Idaho. Three short-time consultants will also take part in the program.

Dr. D.R. Theophilus, president of Idaho's College of Agriculture, will administer the program from the University.

During the three-year period six Ecuadorian trainees will come to the United States to take specialized training at Idaho.

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In addition to the program's activities at the Ecuadoran universities, field projects, particularly in vocational agriculture, will be carried out in various parts of the country.

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The United States has been operating a program of technical cooperation in Ecuador since 1942. That year the Government of Ecuador requested technical help to improve its hospital facilities. By last July, 28 hospitals had been built and equipped. Since 1949, a U.S. civil aviation mission has been helping the Ecuadoran Government to improve its civil aviation facilities and a U.S. railway consultant is helping Ecuador toward better railway service.

FOA has also sponsored cooperation programs in agriculture, education, and industry, mining, and labor.

In the fiscal year that ended June 30, U.S. contributions to the program of technical cooperation in Ecuador totaled $1,398,700.

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FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE

FOA No. 247

For A.M.'s of Wednesday
December 8, 1954

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

N.C. STATE COLLEGE TO AID PERU IN AGRICULTURE FIELD

WASHINGTON, December 7 -- FOA today announced the signing of a contract with the North Carolina State College of Agriculture and Engineering under which the U.S. college will help Peru strengthen its agricultural research programs.

North Carolina will send a staff of technicians to Peru to work with agricultural research, extension, and special agricultural development projects in which Peru and the U.S. cooperate.

So that all programs might be joined in a single contract, the Peruvian Ministry of Agriculture asked the Foreign Operations Administration to arrange for assumption by a U.S. land grant college of technical cooperation responsibilities previously provided by direct assignment of FOA or U.S. Department of Agriculture technicians.

R. W. Cummings, director of research at North Carolina, will be chief adviser for the college in Peru. He and another technician will assist in the organization and direction of agricultural research, and serve as advisers to PCEA, Peru's agricultural experimentation organization.

Four full-time North Carolina technicians will assist in research work centered at the La Molina and Tingo Maria experiment centers. In addition, about six short-term specialists will be sent to Peru each year of the two-and-a-half years covered by the contract. Total cost for the period has been estimated at $526,300.

Agriculture is Peru's principal industry. The joint Peru-U.S. technical cooperation program is designed to increase production of homegrown food supplies and of speciality crops for export through cooperative programs in agricultural research and extension. These exports include food and fiber crops in which the U.S. is in short supply. A decreased dependence on imported foodstuffs will release vital foreign exchange for further economic development.

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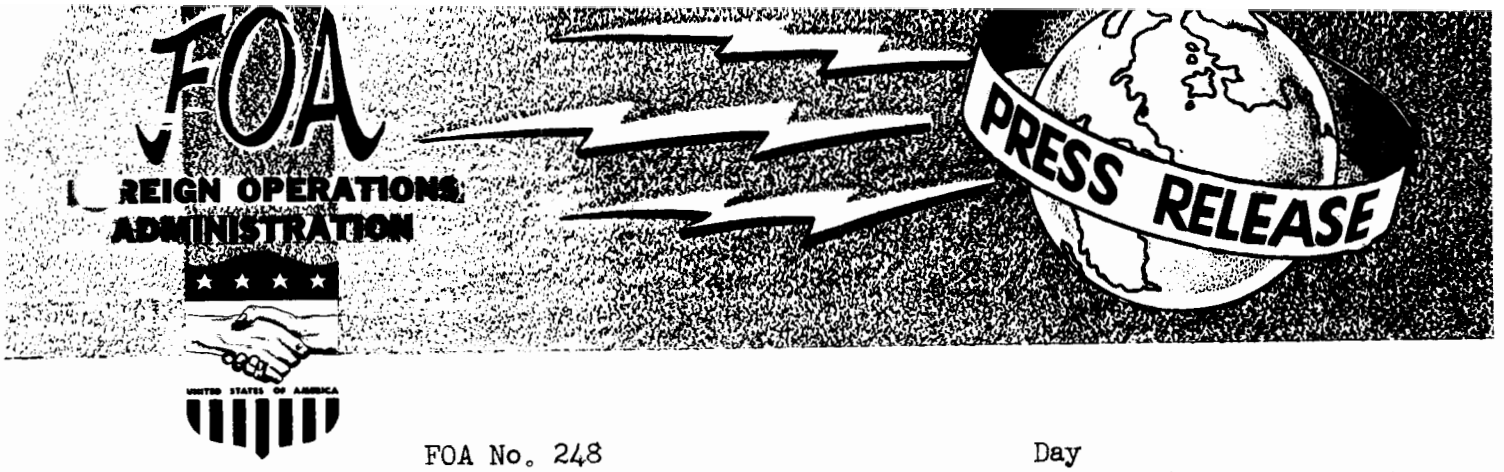

FOA No. 248

Day
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STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

For Immediate Release

ALBANIAN ESCAPEES
TO ARRIVE IN U.S.

WASHINGTON, December 7 -- The FOA announced today that Christakis Nickolas, 24, and his brother Thanass, 26, who made a dramatic escape last year from Albania, are being brought to this country by the U.S. Escapee Program.

They are scheduled to arrive Wednesday morning at Idlewild Airport.

The Nickolas brothers, who are being sponsored for immigration into the U.S. by the Church World Service, will have homes and jobs in Waterbury, Conn.

Thanass, a seaman on a small Albanian state-owned boat, and Christakis, a barber, managed their escape from behind the Iron Curtain by drugging the Captain of the vessell and two Albanian soldiers and sailing to the Greek island of Corfu. They have been living since then in the Lavrion escapee center, on the Greek mainland, which is assisted by FOA's escapee program. In the center they studied English and took vocational courses.

About 70 Iron Curtain escapees and refugees are scheduled to arrive with the Nickolas brothers on the special flight arranged by the Intergovernmental Committee for European Migration. Many of these, including the Nickolas brothers, are being admitted under the Refugee Relief Act. This legislation, which is administered by the Department of State, permits 214,000 migrants to become permanent residents of the United States through December 31, 1956. Of these, 50,000 are now in processing, or have already arrived.

The U.S. Escapee Program (USEP), administered by FOA, was set up about two years ago to help care for persons escaping from Communist countries and to resettle them in the free countries of the West. About 15,500 Iron Curtain escapees thus far have been resettled by USEP, principally in Canada, Australia, Brazil, and the United States.

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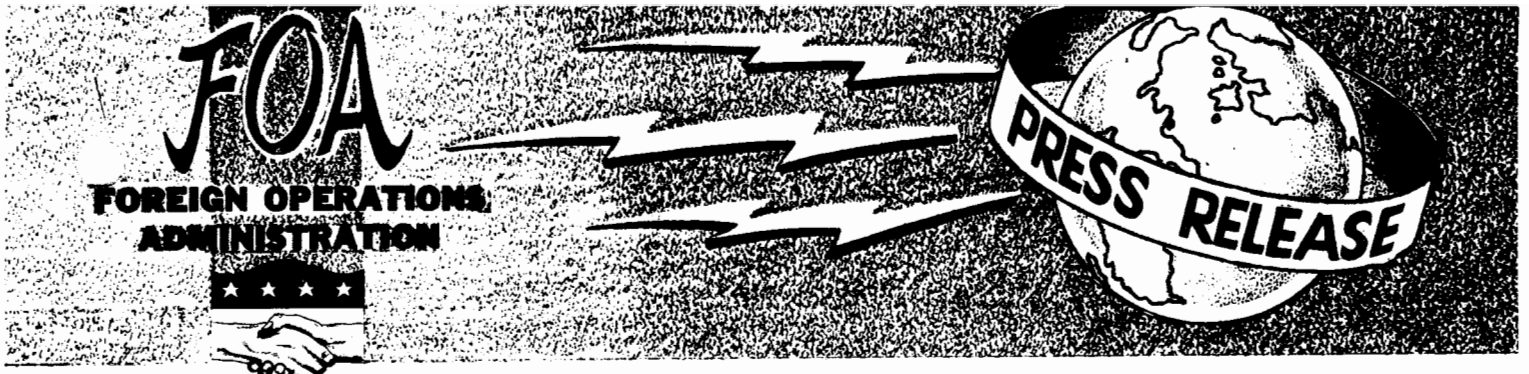

FOA No. 249

ADVANCE RELEASE For P.M. Papers of
Monday, December 13, 1954

Barkley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

CONNECTICUT OFFICIAL
NAMED TO INDIA POST

WASHINGTON, December 13 -- Appointment of Howard E. Houston, Commissioner of Welfare for Connecticut for the past year, as Deputy Director of the FOA Mission to India was announced today by Harold E. Stassen, Director of Foreign Operations.

Houston, former mayor of Meriden, Conn., who has spent more than 17 years in the welfare field, is scheduled to reach New Delhi, Indian headquarters for the Foreign Operations Administration's mission to that country, sometime after the first of the year.

He will be Deputy to Mission Director Clifford H. Willson of Denver, Colo., who has been stationed in India for the past three years.

Stassen said Houston was "admirably qualified" for the post because of his experience in public affairs, including two terms as mayor of Meriden and his long experience in the welfare field.

Houston, who is 44, was superintendent of the Bradley Home for the Aged in Meriden, 1935-43, a large non-profit, non-sectarian home with a private endowment of more than $5,000,000.

He entered the Army as a private in 1943, rose to the rank of Captain and served in the Philippines, New Guinea and Australia. Upon his return to private life in 1946, he was elected mayor of Meriden and served until 1951 when he resumed his former post as Bradley superintendent. He became Connecticut State Welfare Commissioner in 1953.

In the early 1930's after his graduation from Columbia University, New York City, Houston held a position with the New York Civil Works Association for improving the condition of the poor and was an associate of William H. Matthews of New York, noted social worker.

- more -

Mrs. Houston will accompany her husband to India. The Houstons have two children, a son, 10, and a daughter, 7.

American economic assistance to India has been devoted primarily to measures to increase agricultural production, improve health practices, literacy training to the rural population, drilling irrigation wells, expansion of the nation's fertilizer producing facilities and improving its rail transportation system.

It is estimated the current year's program of assistance will approximate 75 million. In addition to the U.S. funds, the Indian Government is contributing large sums of money toward economic and social development of the country.

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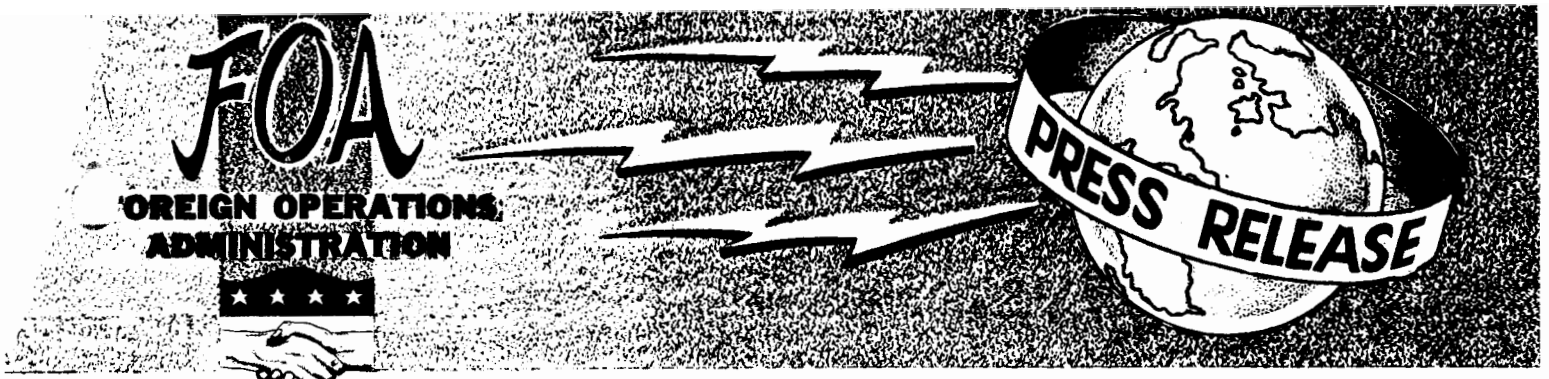

FOA No. 251

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release

FOA ALLOTS $33 MILLION
FOR INDOCHINESE STATES

WASHINGTON, December 10 -- FOA today announced new allotments making an additional $33 million available for use in Vietnam, Cambodia and Laos, bringing total allotments so far this year for these countries to $60 million.

Twenty-five million dollars of the new funds are to be used in the special refugee relief and resettlement program in Vietnam, bringing to $35 million the total fiscal 1955 allotments for this purpose.

The remaining $8 million of the new funds becomes available for use in economic and technical assistance activities in all three countries.

The new allotment makes a total of $25 million available for economic and technical assistance, which is the total approved by the Congress last summer before the Geneva cease fire agreements. Additional funds, however, are now considered necessary for the country programs and for the refugee resettlement work.

Of the $35 million refugee fund now available, about $5 million will be paid to the U.S. Navy for transporting refugees to the south in the mass exodus from the Communist-controlled north. Of the remainder, the greater portion will cover local currency expenditures for the relief and resettlement of refugees. The rest is to be used for dollar imports of hand tools, housing materials, tents, blankets and other articles needed in the refugee program, many of which already have been procured.

Except for $2 million allotted to the missions for salaries of technicians, dollar expenses of technical study trips, and some commodities needed in technical projects, the entire $25 million economic and technical assistance fund is for commercial imports.

These imports include sugar, industrial machinery, aircraft, vehicles, chemicals, [illegible] bags, drugs, petroleum products, hospital equipment, textile products,

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motors and generators, pulp and paper, machine tools, agricultural equipment and tractors, metal working machinery, rubber products, scientific instruments, iron and steel products, prefabricated houses, engines and turbines, construction and mining equipment, and electrical apparatus.

Local currency generated through these imports will cover costs of locally procured material and labor in a wide variety of projects in such fields as transportation, health and sanitation, community development, agriculture, education and small industries.

Procurement authorizations totaling $10,082,000 have already been issued against the $23 million, and purchases or expenditures totaling $4,974,000, have been authorized in the refugee and resettlement program in addition to the earmarking of about $5 million for reimbursement to the Navy.

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12/10/54

FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE

FOA No. 252

ADVANCE RELEASE for P.M. Papers of
Thursday, December 16, 1954

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

INDIANA UNIVERSITY TO HELP THAILAND'S TEACHER COLLEGE

WASHINGTON, December 16 -- FOA today announced the signing of a contract linking Indiana University and the new College of Education in Bangkok, Thailand, for the purpose of advancing teacher-education in that Southeast Asian country.

It is the 55th in the series of FOA-supported agreements under which American colleges and universities are helping free nations to establish stronger educational institutions and centers of technical knowledge as aids to their economic and social development.

Forty-two universities have negotiated technical cooperation agreements with 26 different countries of Europe, Asia, the Far East, Africa and Latin America. The contract with Thailand is the first entered by Indiana University.

By channeling their technical knowledge to underdeveloped regions, American colleges and universities "can make within the next decade or two decades a tremendous contribution toward the fundamentals of the future peace and progress of the world," FOA Director Harold E. Stassen has stated.

The Foreign Operations Administration, over the next three years, may reimburse Indiana University's School of Education, which is undertaking the project in Thailand, for dollar expenses estimated at $625,000.

The Government of Thailand is to bear all expenses which can be paid in baht, the Thai currency. Baht expenses are estimated at more than a quarter of a million dollars equivalent, plus the costs of new building construction which the college plans to undertake.

Objective of the I.U.-Thai cooperative effort will be to develop a full four-year, first class, degree-granting teacher's education college, and

- more -

through the wide use of this college staff and the visiting Indiana University staff, to raise the level of teacher education generally throughout the Kingdom.

A recent survey in Thailand showed that of the 256 teachers in the provincial teacher training centers, 43 have no professional preparation for their work, and only nine have the bachelor's degree. Only one-fourth of them have preparation beyond the tenth grade level.

The contract with Indiana University was undertaken with FOA approval, following a recent visit to Thailand by Dr. Wendell W. Wright, vice-president of I.U. and dean of its School of Education, and Dr. Walter Laves of the School of Education faculty to survey the task and discuss needs with Thai and FOA officials.

Under the contract, I.U. is to send ten faculty members to Thailand. One, who will supervise the over-all work of the I.U. staff there, will remain for three years. Three others will serve two years on the foreign assignment, and six more will remain for one-year periods. In addition, I.U. will provide specialized consultants for limited periods in Thailand.

The University also will bring 40 Thai educators to the Indiana campus for work in I.U.'s School of Education; will provide a limited amount of special books and other teaching materials for the Thai school; will help draft plans and specifications for new buildings on the Thai school's campus, and will assist in planning for educational development in all parts of the Kingdom.

Two other American schools are already at work in Thailand on other FOA-sponsored projects. They are the University of Texas, and Oregon State College. Under three-year agreements, the Texas university is helping Chulalongkorn University of Bangkok, the only engineering and physical sciences college in Thailand, to expand and improve its staff and facilities to meet the country's increasing demands for qualified engineering graduates. Oregon State College entered a 30-month agreement to help Kasetsart University, at Bangkhen, to improve and expand its agricultural education, research and extension programs. Kasetsart University, established in 1943, is the only institution of higher learning in Thailand offering courses in agriculture, forestry and fisheries. Its current enrollment is nearly 700 students, but it is hoped with Oregon State's help to expand facilities and staff to accommodate a student body of 3,000.

* * * * * *

The U.S. program in Thailand, launched in 1950, involves about $30 million over a 5-year period. It has helped Thailand make progress in increasing rice harvests and making other agricultural improvements, controlling malaria and generally lifting the health standards of the people, improving educational and vocational training, developing mineral resources, improving roads and railways, and developing electric power for industry.

- more -

During 1955 a 200-mile two-lane roadway costing an estimated $7.5 million is to be constructed by American contractors, linking Bangkok with the Communist-bordered northeast provinces and strengthening Thailand both militarily and economically. FOA is to pay dollar expenses estimated at $2.5 million in this special project, which is the largest undertaken in Thailand.

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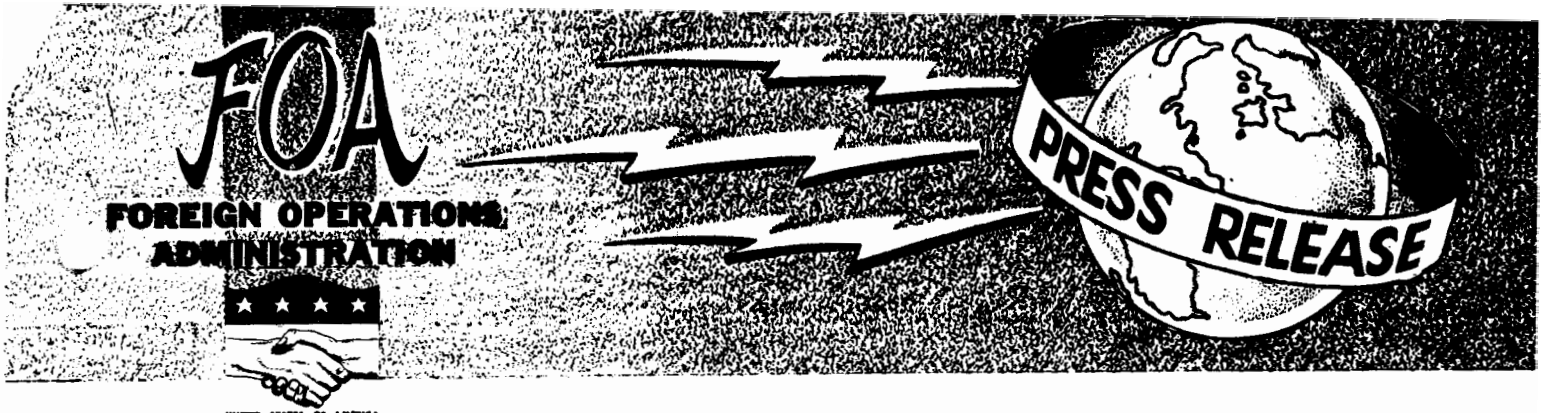

FOA No. 253

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave, NW

For Immediate Release

FOA IN JAPAN

WASHINGTON, December 14 ..... Clarence E. Meyer leaves tomorrow for Tokyo to take up his duties as Director of the new U.S. Operations Mission to Japan and administer a program of economic development and productivity. He will also be Minister of Economic Affairs for the U.S. Embassy in Tokyo.

Meyer is expected to arrive in Tokyo on December 23 (Tokyo time). He has been in Washington since November 1 completing staffing and programming arrangements for the Japanese operation.

Arrangements being concluded with Japan call for: the sale of $85 million worth of surplus agricultural products to Japan for yen; the grant of an additional $15 million worth of surplus agricultural products; and FOA help to launch a productivity program in Japan. In addition, discussions are going on regarding the use of $10 million equivalent in yen derived from the sale of farm surplus last year to Japan under Section 550 of the Mutual Security Act.

The $85 million in yen received under the Public Law 480 sale of farm commodities is to be used as follows:

1. $59.5 million equivalent for loans to promote economic development in Japan;

2. $5.5 million to finance procurement in Japan by FOA of commodities for shipment to other friendly countries;

3. $20 million to be used by the U.S. to finance certain American yen expenses in Japan, such as building housing for U.S. military forces, the exchange of students under the Fulbright program, or some of the expenses incurred by the U.S. Information Agency.

The $15 million grant of surplus farm goods will be used in the school lunch program, the furnishing of clothing to needy school children, and similar welfare activities carried on by Japan.

- more -

An immediate project will be the beginning of a productivity program, on the pattern of those conducted in western Europe, designed to help the Japanese speed up the development of new techniques and methods of production in industry, agriculture, management and other fields, as a means of helping them solve their serious international financial problems by increased trade.

The productivity program is designed to help make American technicians available to assist Japan, and to provide a means of sending Japanese technicians to the U.S. and to other countries to study and observe methods which might be adapted to the Japanese economy.

Meyer's deputy in Tokyo will be Frank A. Waring, who is already there as Economic Counsellor of Embassy, a dual post which he will continue to hold. The remainder of the Mission staff will be made up of personnel of FOA and the Department of State, thus establishing an integrated mission similar to those in a number of other countries. The Operations Mission will function under the leadership of the Ambassador, as is true in all countries.

Meyer was chief of the economic mission to Korea for a short time prior to the Communist invasion, before being sent to Austria in 1951 to head the U.S economic and technical mission. He has spent almost his entire career in the Far East with Standard Vacuum Oil Company, which he joined in 1913 in Hong Kong. In 1935 he was transferred from China to Japan, becoming general manager and a member of the Board of Directors. He was made a vice president of the company in 1946, and retired in 1950.

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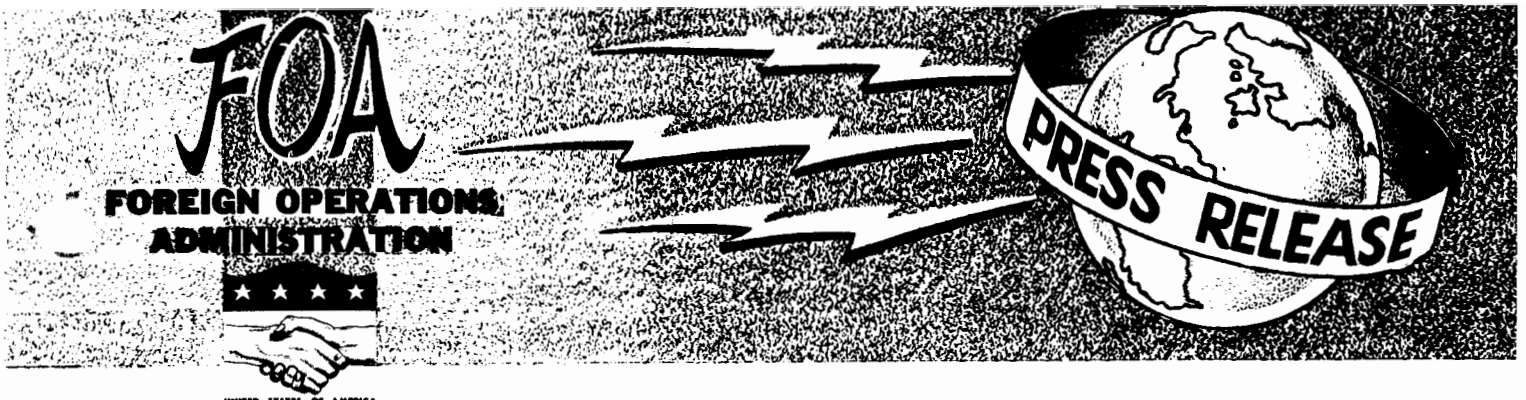
12/14/54

FOA
FOREIGN OPERATIONS ADMINISTRATION

PRESS RELEASE

UNITED STATES OF AMERICA



FOA No. 254

Montanari
Office of Public Reports
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Rm. 409, 806 Conn. Ave., N.W.

For Immediate Release

VAN DYKE IS APPOINTED
AN FOA REGIONAL DEPUTY

WASHINGTON, December 15 -- Stuart H. Van Dyke, chief of FOA's European Program Staff in Washington, has been appointed Deputy Regional Director for Europe, it was announced today.

In his new Washington post, Van Dyke will assist Charles F. Urschel, Jr., Regional Director for Europe, in formulating policies and supervising FOA's program of defense support, technical exchange, investment promotion and surplus agricultural commodities sales in Europe. He succeeds Daniel K. Hopkinson, who resigned recently after serving in the post for three years.

Van Dyke has been connected with the foreign economic programs since 1950, beginning with the Marshall Plan in Germany and later under the Mutual Security Program in Washington.

A 1935 graduate of Indiana University, Van Dyke joined the Department of Agriculture in 1940. During World War II, he was with the Maritime Service, and from 1945 to 1950 served with the Military Government in Germany in the programming of food imports and distribution.

He and Mrs. Van Dyke live at 13 Accotink Road, Alexandria. They have three children.

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12/15/54

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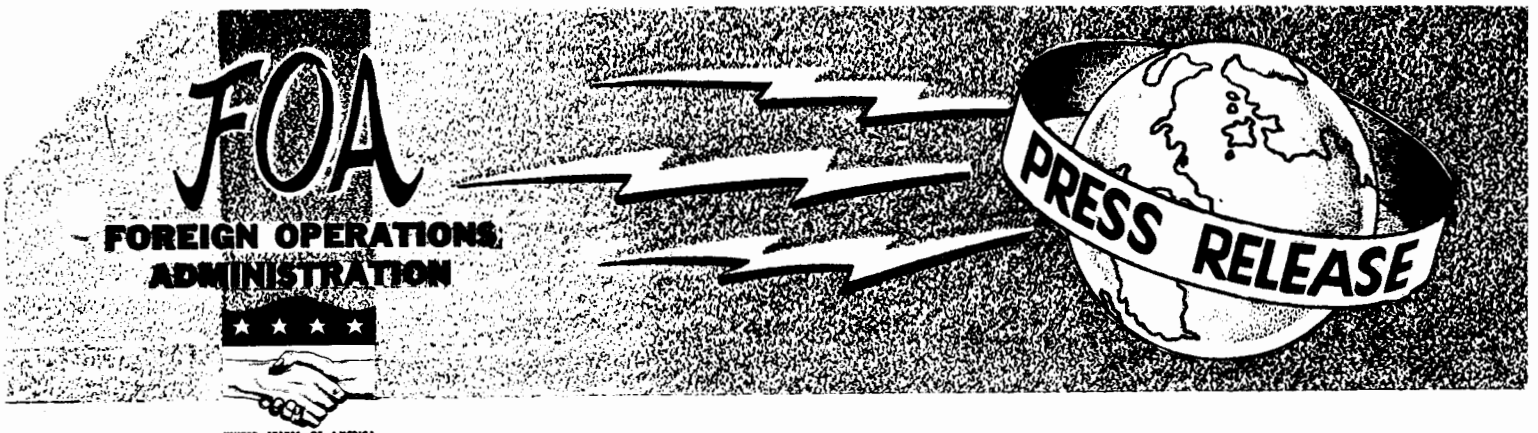

FOA No. 255

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release

U.S. PLANS INCREASE
IN HELP TO THAILAND

WASHINGTON, December 17 -- The United States is prepared to increase its assistance to Thailand this fiscal year by $28.2 million, FOA announced today.

This will make a total of $36.7 million available to Thailand this fiscal year for defense support and technical assistance. Direct military assistance is additional.

Foreign Operations Director Harold E. Stassen has advised the Thai Government that the decision to increase the aid program was reached after careful review of the Thai request by FOA in consultation with other interested agencies of the Government of the United States.

Stassen's communication to the Thai Government stated in part:

"It is my understanding that the Thai Government expects to apply to established banking institutions for loans to meet a part of the foreign exchange cost of its economic development program, but foresees a need for external assistance for defense support and economic development activities which cannot be met through banking channels.

"The United States recognizes the importance to Thailand and the Free World of the successful execution of your Government's plans to undertake at this time certain projects required to support its defense efforts, to improve the living conditions of its people, and to counter the threat of communist penetration. I also understand that the Thai Government will make every effort to assure the best use of its own resources in meeting these objectives. The United States Government is prepared to make available additional assistance amounting to not more than $28.2 million, to help finance such essential activities in Thailand."

The communication noted that Thailand's need for external assistance for these purposes beyond the present fiscal year is recognized. Thailand's request for the additional assistance was presented to Stassen on November 8, 1954.

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Previously programmed for Thailand this year was $5 million for technical cooperation and $3.5 million as a U.S. contribution toward the construction during calendar year 1955 of a 200-mile all-weather road to link Bangkok with the underdeveloped northeast provinces.

The $28.2 million defense support fund will be used in the development of basic facilities which will strengthen Thailand's defense capacities and at the same contribute to her economic strength. Such facilities, for the sake of illustration, might be electric power, road networks, or telecommunications.

* * * *

BACKGROUND INFORMATION

FOA assistance to Thailand during the fiscal years 1951-54 amounted to approximately $27.9 million. Over 80 percent of the $22.4 million provided during the first three years of this program was used to finance supplies and equipment needed to launch joint U.S -Thai development efforts in such fields as irrigation, fertilizer demonstration, hospital rehabilitation, malaria control, transportation, and power and lignite development. The fiscal 1954 program of $5.5 million, however, placed major emphasis on the development of Thai Government services -- agricultural extension, rural health, vocational training, and on-the-job training of mechanics and equipment operators -- and on assistance which would accelerate the development of irrigation and water supply facilities in t he arid northeast provinces.

Meanwhile, direct military assistance with mutual security funds has aided in the training and equipping the Thai Royal army, navy and air force since 1950.

FOA is financing contracts which have sent faculty staffs from Oregon State, Texas and Indiana universities for three years to help develop Thai schools of agriculture, engineering and education, respectively.

The catalytic effect of U.S. technical and economic assistance is evident. Between 1949 and 1953 the Thai Government more than doubled its appropriations entirely from its own funds for development projects similar to those demonstrated or recommended by FOA. As compared with 415 million baht ($24.2 million) spent by Thailand for such investments in 1949, the 1953 budget provided 934 million baht ($54 million) for this purpose.

Thailand is about three-fourths the size of Texas, and has about 20 million population. A constitutional monarchy, Thailand's orientation to the Free World has been evidenced by its participation in the United Nations action in Korea, by its charter membership in the recent SEATO pact, and by its cooperation with the Free World in opposition to Communism in other specific ways.

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12/17/54

FOA
FOREIGN OPERATIONS ADMINISTRATION

PRESS RELEASE

FOA No. 256

For Release in Saturday Morning
Papers of December 18, 1954

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. [illegible] 808 Conn. Ave., N.W.

FOA ALLOCATES $3 MILLION
FOR HIGHWAY IN GUATEMALA

WASHINGTON, December 17 -- FOA announced today it has allocated Guatemala $3 million development assistance funds for immediate use in completion of a 97-mile highway along Guatemala's Pacific slope. Guatemala will furnish $1.5 million as its share of the cost.

Karl Kline, Foreign Operations Administration fiscal expert, arrived in Guatemala Thursday, and three construction technicians are scheduled to arrive there Monday.

At the request of the Guatemalan Government Kline will assist in materials purchasing for the highway, and the technicians will advise on plans for immediate construction. The technicians, whom FOA requested from the Bureau of Public Roads, Department of Commerce, have been doing similar work in Costa Rica.

Considerable grading has already been done on the two-lane, asphalt-surfaced road, which runs from Popoya to Coatepeque through a heavily populated area containing the country's richest farm land. Its construction will make markets for farm produce more accessible; will provide work for many unemployed, and will help the new Guatemalan Government stabilize conditions within the country.

FOA said Guatemala has 2,000 men and the equipment ready to start work again on the highway, planned for completion by July 1.

The highway project is considered to be of major significance in relation to Guatemala's over-all development and it is expected, will be of aid to other FOA programs there.

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Earlier this week the Department of State announced the signing of a development assistance agreement with Guatemala under which the United States will furnish certain extraordinary assistance in addition to FOA's technical cooperation programs, which are mainly in agriculture, health and sanitation, and education. The $3 million highway allocation is one of the specific projects of that agreement and is part of $6,425,000 fiscal year 1955 aid previously announced for Guatemala.

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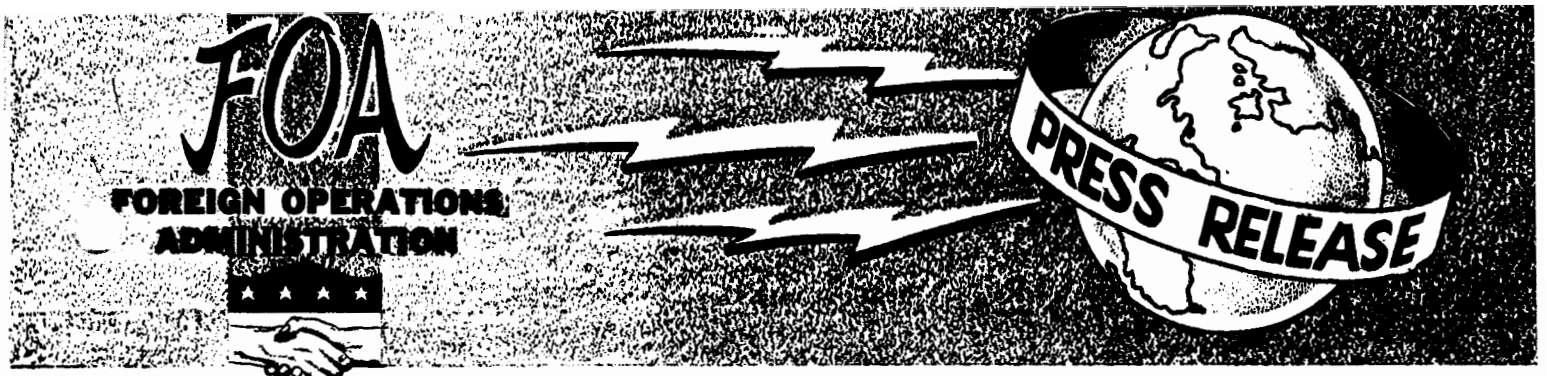

FOA No. 257

Todd
Office of Public Reports
STerling 3-6400, Ext. 2655
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For Immediate Release

CONNECTICUT LAWYER
FOA DEPUTY COUNSEL

WASHINGTON, December 17 - FOA Director Harold E. Stassen today announced the appointment of Leonard Saccio, Connecticut lawyer, as Deputy General Counsel for the Foreign Operations Administration.

Saccio will serve as deputy to Christian A. Herter who was recently appointed to the position of General Counsel. He will assist in interpreting legislation pertaining to foreign operations and in developing formal agreements with countries participating in the Mutual Security program and in drawing up contracts with U.S. colleges, firms and organizations.

From 1943 to the present time he has been General Counsel, Assistant Secretary and Director of the Berger Brothers Company in New Haven, and has been Prosecuting Grand Juror and Town Counsel in Bethlehem, Conn. since 1945. From 1942 to 1943, he was special attorney for the Anti-Trust Division and War Frauds Unit of the Department of Justice.

From 1938 to 1942 he was Assistant Attorney General for New York State Special Investigation in Kings County and from 1935 to 1938 he was in private law practice. During the last year of this period he was associated with the law firm of McLean, Ferris, Ely & Fain in New York City.

He received the LLB degree from Columbia University Law school and the BSS degree from the College of City of New York.

He is married and has three children.

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12/17/54

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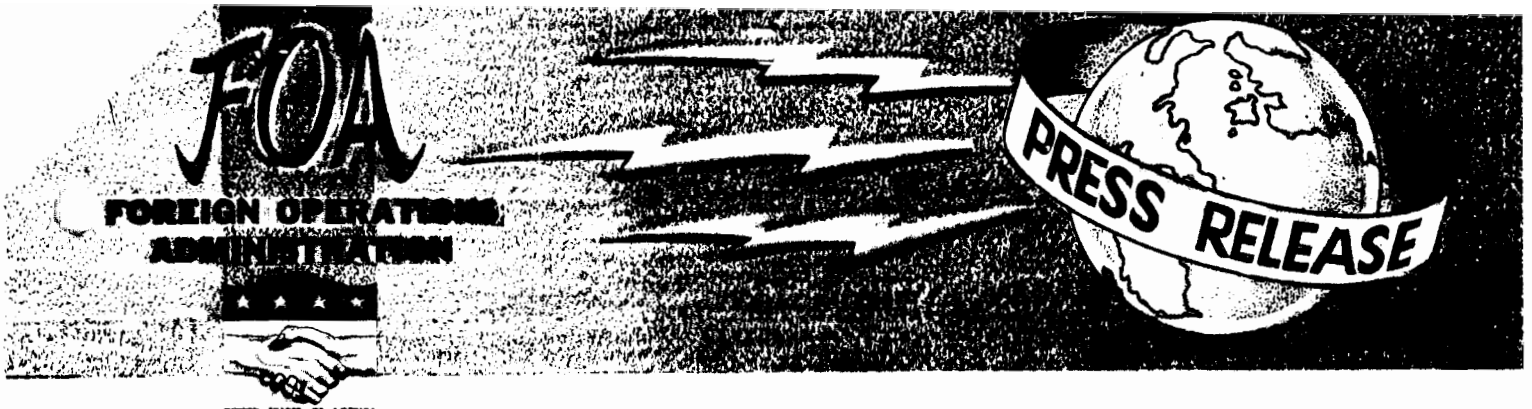

FOA No. 258

ADVANCE RELEASE for A.M. Papers of
Wednesday, December 22, 1954

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

REPORT ON BRAZIL
ANNOUNCED BY FOA

WASHINGTON, December 21 -- FOA today announced the release through the superintendent of Documents of a 300-page report, "The Development of Brazil," prepared by the Joint Brazil-United States Economic Development Commission.

The report, which is advisory to both governments, outlines an investment program recommended by the Commission, which functioned from 1951 through 1953, covering 41 projects.

The Commission suggested that in any development plan priority be given the rehabilitation of Brazil's transportation--particularly railways, ports and coastwise shipping--and expansion of the country's electric energy output.

Foreign exchange investment requirements for some of the proposals would include $146,000,000 for railway re-equipment, $6,600,000 for highway maintenance, $37,800,000 for port improvements, $29,000,000 for coastal shipping, $130,000,000 for power expansion, and $38,000,000 for agricultural and industrial projects.

The report covers a range of development projects believed essential to Brazil's economic growth, and suggests reforms designed to check inflation and achieve both fiscal and monetary stability.

The Commission prepared priority projects that would best lend themselves to consideration of loans by financial institutions like the International Bank for Reconstruction and Development, the Export-Import Bank of Washington, and by private investors outside of Brazil. A number of loans, mostly in railway transportation, have already been granted as a result of Commission proposals.

In addition, the Commission outlined measures to raise local investment funds in Brazil by non-inflationary methods, such as the establishment, in 1952, of the National Bank for Economic Development, another outgrowth of Commission proposals.

The Joint Commission, created by diplomatic agreement between the United States and Brazil, was designed to provide a working mechanism for effective cooperation in the field of economic development of Brazil. United States participation was based on provisions of the Act for International Development of the 81st Congress.

Merwin L. Bohan was chairman of the Commission's United States section, and Ary Frederico Torres of the Brazilian section. The late Francis Adams Truslow and J. Burke Knapp previously served for the United States. The American chairmen were also successive country directors in Brazil for U.S. technical cooperation, formerly under the Department of State, and now under FOA.

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FOA
FOREIGN OPERATIONS ADMINISTRATION

PRESS RELEASE

FOA No. 259

ADVANCE RELEASE for P.M. Papers of
Wednesday, December 22, 1954

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

TEXAS A. & M. TO AID
MEXICAN SCHOOL UNDER
ARRANGEMENT WITH FOA

WASHINGTON, December 22 -- FOA today announced the signing of a contract with the Texas Agricultural and Mechanical College at College Station, under which the U.S. college will help Mexico's Antonio Narro Agricultural School strengthen its educational, research, and extension programs.

Texas A&M technicians will aid in training Antonio Narro's staff in organization, administration, and methods; in studies of extension needs and methods; and in plans and programs for demonstration projects.

A chief adviser and seven technicians will be sent to Saltillo, site of the school in northern Mexico, during the first year of the 26-month contract. Nine technicians and the chief adviser will work at the school during the remaining 14 months. In addition, short-term consultants will be sent to Saltillo as needed.

The contract also provides for Texas A&M to select Antonio Narro faculty and other staff members and graduate students for specialized study in the United States.

The Foreign Operations Administration has allotted $371,500 for the first year of this technical cooperation program. Total cost for the full period is an estimated $751,500.

The contract announced today is the 56th in FOA's growing program to enlist the experience and skills of U.S. educational institutions in the over-all technical cooperation program with the free countries.

By helping to build stronger educational institutions and technical knowledge centers in underdeveloped regions the U.S. can "make within the next decade or two decades a tremendous contribution toward the fundamentals of the future peace and progress of the world," FOA Director Harold E. Stassen has said.

- more -

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In addition to technicians, the contract provides for a joint fund to finance a series of projects to be determined later in a cooperative program agreement. Most of the projects will be in the State of Coahuila, where the Mexican school is located. Mexico will contribute to the fund on the basis of about three to one during the 26 months.

It is expected that agriculture in areas bordering Coahuila will also benefit from the contract and that improvement of training facilities at Saltillo will help reduce the serious shortage of agricultural technicians throughout Mexico. Success of the projects in Coahuila will serve to demonstrate the value of similar ones in other areas in developing a balanced agricultural program for the country as a whole.

Today's contract is the fourth FOA has arranged between Mexico and U.S. institutions since last May. Previous contracts linked the Armour Research Foundation of the Illinois Institute of Technology with the Mexican Institute of Technical Research, a subsidiary of the Bank of Mexico; the University of Michigan and El Olivar, a training school for mechanics; and the University of Pennsylvania and the Mexican Government's Institute of Livestock Research.

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FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE

FOA No. 260

Montanari
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

For Immediate Release

YUGOSLAVIA TO RECEIVE
MORE U.S. BREAD GRAIN

WASHINGTON, December 22 -- FOA has authorized the shipment of 150,000 tons of U.S. wheat to Yugoslavia to help alleviate food shortages in that country. Due to adverse weather conditions, Yugoslavia has suffered its third wheat crop failure since 1950.

The new wheat tonnage was made available under the provisions of Title II of the Agricultural Trade Development and Assistance Act (Public Law 480). Under this title, the Foreign Operations Administration may authorize the Department of Agriculture to provide and ship surplus U.S. agricultural commodities to friendly countries in urgent need of such foodstuffs.

The new shipment brings to 435,000 tons the amount of wheat provided for Yugoslavia during the current fiscal year. This has included 125,000 tons previously furnished under the Title II program, 10,000 tons as part of the Danube River flood relief program for six countries suffering crop damages, and 150,000 tons under Section 402 of the Mutual Security Act of 1954. Some 750 tons of butter were also shipped to replace Danube flood losses.

The Foreign Operations Administration has allotted a total of $23 million for Yugoslavia this fiscal year to finance the purchase and shipping of cotton, coal, fertilizer, pharmaceuticals and medical supplies, in addition to the wheat furnished under the Mutual Security Act.

The Mutual Security Program for Yugoslavia was established to provide support to that country's economy, so that it could maintain an adequate defense posture. Since the United States economic assistance program began in late 1950, the total aid granted thus far has amounted to $416 million. In addition, the United Kingdom and France have contributed $77 million in economic assistance to Yugoslavia under a program of tripartite aid which began on July 1, 1951.

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12/22/54

FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE

FOA No. 261

Barkley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release

FOA HELPING INDIA WITH MALARIA CURB

WASHINGTON, December 22 -- Malaria control will be extended to an additional 11 million persons under an agreement announced today between FOA and the Government of India.

The agreement is part of the Foreign Operations Administration's program of technical assistance to India during the current fiscal year.

India's nationwide malaria control program is the largest of its kind in the world, with 125 control units now providing protection to approximately one hundred million persons. All Indian states are participating in the program, with assistance from the Government of India and American aid in the form of equipment and supplies of DDT. The goal of the control program is ultimate establishment of 200 control units. The supplementary agreement brings the total number of units to 136.

Three years of intensive work by each unit will be followed by operation on a maintenance basis. The American contribution in the present instance amounts to $4,400,000 to meet costs of 6,000 tons of DDT and 100 tons of dieldrin, another insecticide, for use throughout the program; 11 gasoline-driven spraying units, 44 trucks and 12 jeeps or pickup trucks for equipment of the 11 new control units.

The Government of India's contribution to this particular phase is 22,000,000 rupees (about $4,620,000).

U.S. assistance in this technical cooperation program is in line with what President Eisenhower has described as our most effective counter-measure to Soviet propaganda and the best method by which to create the political and social stability essential to lasting peace.

Last June the President advised Congress that United States participation in such technical assistance programs "must be vigorously advanced."

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12/22/54

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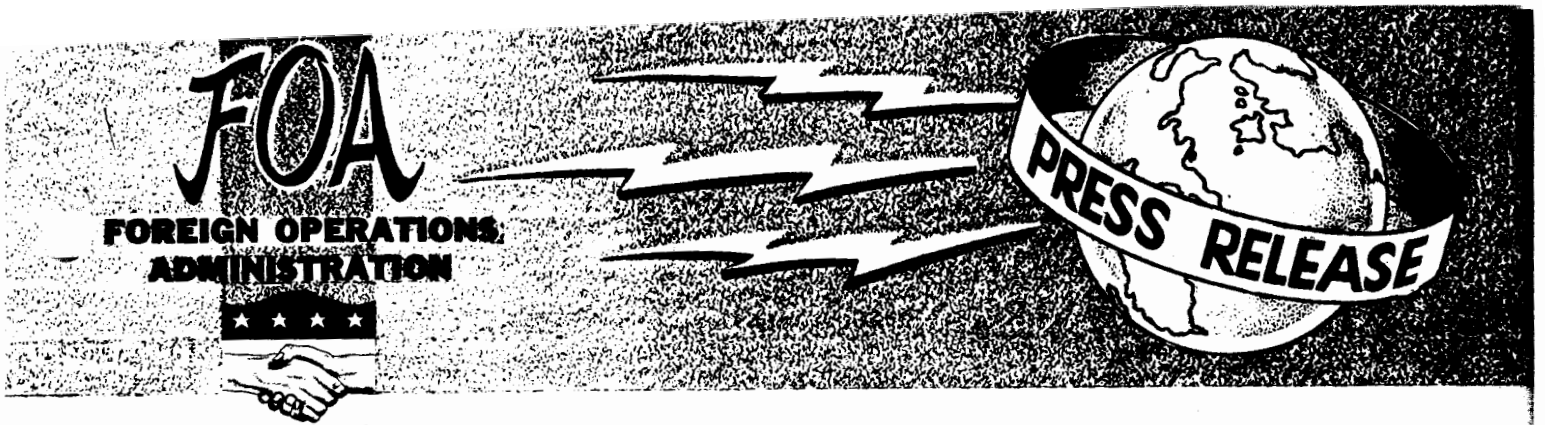

FOA No. 262

Montanari
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

For Immediate Release

CARTER DE PAUL NAMED
FOA DIRECTOR IN LAOS

WASHINGTON, December 23 -- N. Carter De Paul, Assistant Director of the U.S. Operations Mission in Indochina, has been appointed the first FOA Director of the new Operations Mission to Laos.

FOA has established the Mission to Laos and also a Mission to Cambodia in order to conduct separate and expanded economic and technical support programs for each of these countries, which with Vietnam comprise the Associated States of Indochina.

Since October, 1953, De Paul has been successively Economic Policy Officer and Assistant Director for Program and Economic Affairs in the Vietnam Mission, which up to recently has been FOA program headquarters for all three of the Indochinese States.

The FOA defense support program for Laos which De Paul will direct, and which will be expanded, provides technical assistance in agriculture, transportation and health. More emphasis will be given to the improvement of transportation, particularly to help build up a road network and expand river transportation by establishing more ferry facilities. Construction of an airport at Vientiane, the capital, is continuing. In the field of agriculture, the FOA technical assistance program stresses better methods of growing rice.

The new Mission Director has been associated with U.S. foreign economic programs since the early days of the Marshall Plan in 1948, when he joined the European headquarters of the Economic Cooperation Administration (ECA) in Paris. He later headed various European area desks in Washington under ECA and the Mutual Security Agency (MSA), until his appointment to the Vietnam post.

A graduate of Brown University and the Harvard University School of Business Administration, De Paul has had experience in security analysis and real estate as well as in research and teaching assignments at Harvard and the University of Tennessee. He served as disbursing officer for the U.S. Naval Operating Base in Rio de Janeiro during World War II.

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FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE

FOA No. 263

For Release in Morning Papers of
Tuesday, December 28, 1954

Hughes
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

MICHIGAN COMPANY AWARDED
FOA INVESTMENT GUARANTEE

WASHINGTON, December 27 -- FOA announced today that it has insured an American manufacturer who has an interest in a French firm against inability to convert investment receipts into dollars.

The insured investor is the Clark Equipment Company of Buchanan, Mich., which will manufacture materials handling equipment in France, for domestic and export sales.

The Clark Company, whose Industrial Truck Division is a leading producer of fork trucks, straddle carriers and other materials handling equipment, owns a substantial interest in the French transportation equipment firm of Les Ateliers de Strasbourg. Under an agreement initiated three years ago, Clark will furnish technical information, engineering data, and licenses to the firm. The firm will pay Clark royalties on all equipment sold during the 10-year life of the agreement.

To cover receipts on its investment in the capital stock of the French firm and anticipated royalty payments, the Clark company has purchased a Foreign Operations Administration's "convertibility" insurance contract totaling $479,250. The guaranty assures the Clark company that the U.S Government will protect it against loss should it have difficulty "getting its money out" because of exchange and currency restrictions.

Clark Equipment Company is the first in its field to enter into an insurance agreement with FOA. Insurance protection of this sort, available also to cover losses because of expropriation or confiscation, is granted by FOA under authority of Congress as one phase of the Government's continuing program to encourage a larger flow of private capital to the countries of the free world. Officially known as "convertibility" and "expropriation" insurance, the two types of protection are designed to remove the two chief worries which have sometimes troubled prospective American investors abroad - the fear of being unable "to bring their money home" and of property loss resulting from expropriation or confiscation by a foreign government.

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The Clark contract is the 68th guaranty contract negotiated under the FOA investment guaranty program. FOA has considerably simplified rules for the insurance in a move to further stimulate the flow of investment capital abroad.

In applying for a convertibility guaranty, the Clark company reported to FOA that the use of fork lift trucks of U.S. manufacture during World War II has stimulated the commercial market for such trucks throughout the world. The company estimated current demand outside the U.S. at from 3,000 to 5,000 annually, with better than half the demand concentrated in Western Europe. Potential demand in France for fork lift trucks was estimated by Clark at from 200 to 300 units annually.

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FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE
UNITED STATES OF AMERICA

FOA No. 264

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

For Immediate Release

ILLINOIS U. TO ASSIST COLOMBIA WITH HOUSING

WASHINGTON, December 29 -- FOA today announced the signing of a two-year contract under which University of Illinois housing technicians will assist the Government of Colombia in housing development.

Principal project of the Illinois technicians will be to help solve construction and other problems in connection with the $16,000,000 housing program of the Government-sponsored Instituto de Credito Territorial. The Institute, a housing authority financed primarily by private capital from savings banks, is building 15,000 small home units in Bogota and other large cities in Colombia.

The contract announced today is the first all-housing contract of the 57 contracts FOA has made to enlist the experience and skills of U.S. educational institutions in the over-all technical cooperation program with the free countries. An earlier contract with the University of Maryland provided for some FOA housing technicians in a program for Surinam that also included agriculture and land reclamation.

FOA Director Harold E. Stassen has said that by bringing to bear upon under-developed areas of the free world the skills and resources of American universities the U.S. "can make within the next decade or two decades a tremendous contribution toward the fundamentals of the future peace and progress of the world."

FOA has made $125,000 available for the first year of the two-year contract with Illinois. The program will cost an estimated $225,000 for the two-year period.

The University's Small Homes Council will maintain a group leader and four full-time staff members in Bogota for the two-year period. In addition, the University will supply short-term consultants from time to time, for periods of not less than six months.

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Their work will include investigations into the living habits, housing needs and preference of families; selection of the most practical approach to solving design problems; the use of materials and of existing facilities, such as sewers, water, and electricity; community planning; the achievement of quality control during construction; efficient administration, and recommendations on purchasing, scheduling and operational practices in building construction.

World-wide, the FOA has more than 40 housing specialists serving in 30 countries in a wide variety of tasks, ranging from a housing finance adviser in Burma to a group of technicians teaching villagers to build their own homes in Surinam. In addition, FOA annually trains more than 50 architects and other housing specialists from foreign countries.

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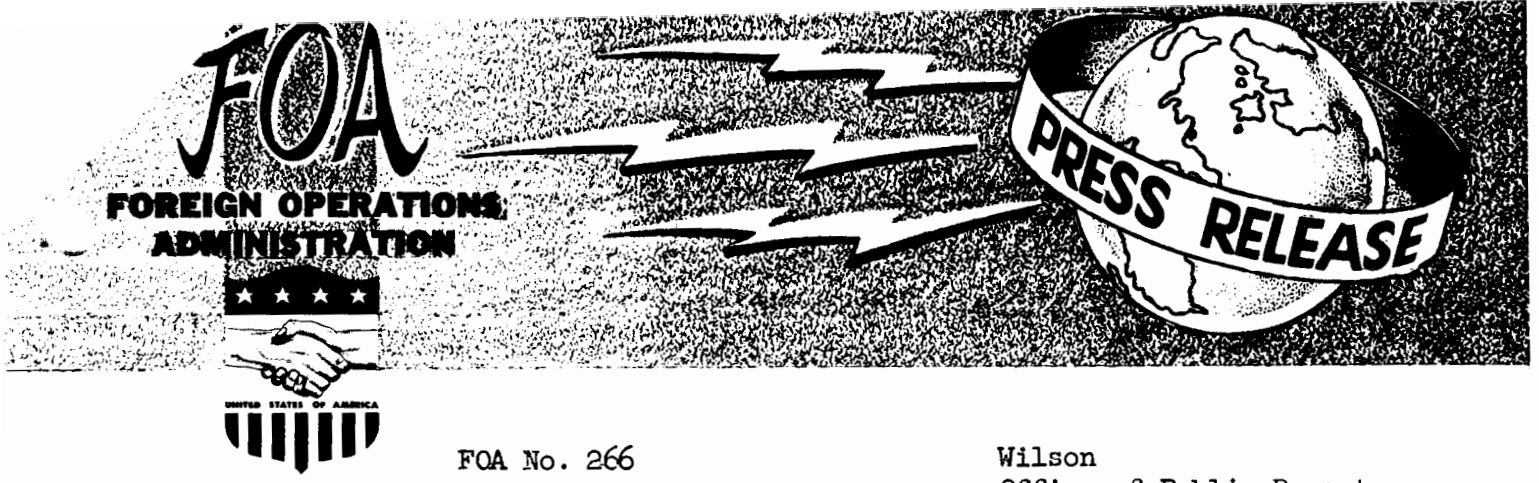
12/28/54



FOA No. 266

Wilson
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 411, 806 Conn. Ave., N.W.

For Immediate Release

STASSEN NEW YEAR
BROADCAST ON VOA

Following is the text of a statement by Harold E. Stassen, Director of Foreign Operations, recorded for year-end broadcast by the Voice of America:

Greetings: At the end of an old year and the beginning of a new one, we are enjoying a season of holiday festivals of profound religious significance. I would like to wish every family that hears my voice health and happiness and the blessing of peace in the coming year.

The end of the year is an appropriate time to ask: how far have we, the peoples of the world, come in our quest for a lasting peace? what more can be done to help men everywhere to realize their highest hopes, both spiritual and material.

This year I believe we have taken significant steps along the road to a lasting peace. The first step is the cessation of open armed hositilities -- that step has been taken. The next step is to endeavor to assure that war will not break out -- that step also is being taken. Under the United Nations Charter many regional organizations have been set up for the prevention of the outbreak of war.

However, peace to be meaningful must be more than a mere absence of war. Throughout the world, at every hearth, in every home, families must have hope. They must have food. They must be able to live without the gnawing fear of endless hunger and disease. Mothers and fathers and children should be able to look with confidence toward a future which is better for them than the past.

Therefore, it is most encouraging to be able to look back at the year 1954 and to realize that this year the free peoples of the world, through their own efforts, for the most part have been better fed, better housed and better clothed than at any time in history.

This successful result has been achieved largely through free nations working

together in partnership with one another. In the growth of such partnership lies the best way for all of us together to share in the expanding blessings of peace.

In the year ahead I look forward hopefully toward an ever increasing partnership between all the free peoples of the world. In the coming year I hope that more of the nations which have will help those which have not to help themselves -- sharing their knowledge and their substance.

Economic development can make a mighty contribution to the job of relieving international tensions. The peoples of the free world can, together, do much to brighten the hopes of man. Through mutual programs of technical cooperation, through investment of capital into productive enterprises, and in many other ways, the industrialized nations should help the lesser developed nations to realize their hopes for economic progress and social reform.

In addition to the matters I have already mentioned, another lamp to light the way to peace has been set burning. This is President Eisenhower's proposal that knowledge about atomic power be put to international uses for peaceful purposes. A good start has been made. Much will be accomplished in the year ahead. I am confident that through mutual effort, on the part of many nations, the world will be at peace during the coming year and will press on with the job of building a better life for mankind.

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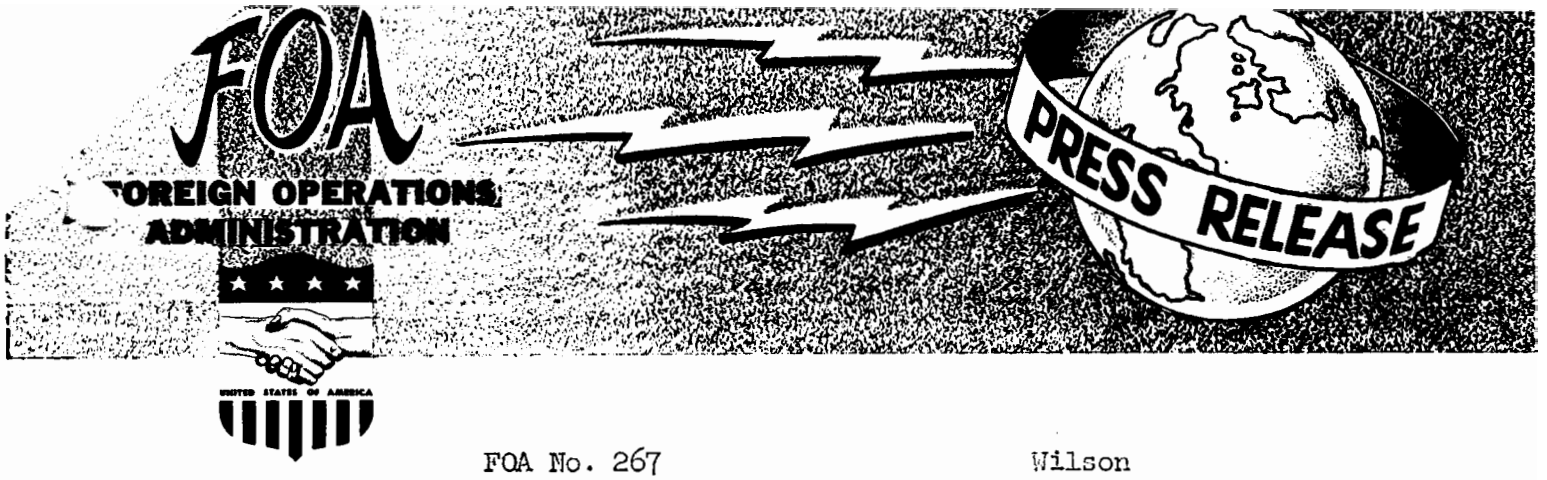


FOA No. 267

Wilson
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 411, 806 Conn. Ave., N.W.

For Immediate Release

MRS. JANE M. SPAULDING
BECOMES FOA CONSULTANT

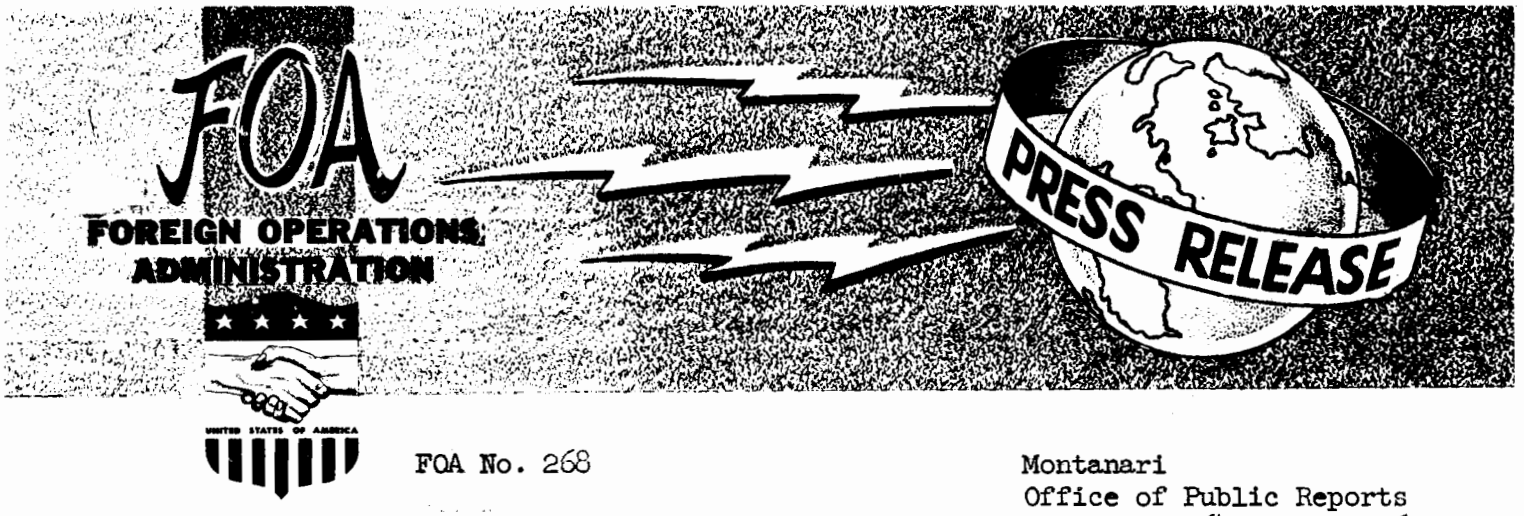
WASHINGTON, December 30 -- Mrs. Jane M. Spaulding has joined FOA as a consultant on community development.

Mrs. Spaulding, active for more than 20 years in social welfare work in West Virginia, is a past president of the West Virginia State Federation of Women's Clubs. She graduated in 1920 from Waldon College, Nashville, Tenn.

Community development is a part of the technical cooperation program administered by the Foreign Operations Administration in underdeveloped areas of the free world.

Before joining FOA, Mrs. Spaulding had worked for the Health, Education and Welfare Department and the War Claims Commission.

12/30/54



FOA No. 268

ADVANCE RELEASE for AM's of
January 3, 1955

Montanari
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

MINNEAPOLIS BANKER NAMED
TO FOA POSITION IN ITALY

WASHINGTON, January 2 -- Clarence E. Hill, prominent retired Minneapolis banker, has been appointed deputy director of the FOA Mission to Italy.

Hill, who for the past year has been in West Germany and Italy as a consultant to the Foreign Operations Administration, succeeds Landon K. Thorne Jr., of New York City, who was recently appointed director of the Mission to Belgium-Luxembourg.

He will assist Henry J. Tasca, Mission director in Rome, to conduct the FOA program of defense support, productivity and technical exchange, counterpart investment loans and promotion of foreign investment in Italy.

Hill, who has had some 45 years of banking experience, assisted the Mission to Germany in a program of investment and industrial development in Berlin for several months this year, and has been in Rome for the past two months to advise on the development of an industrial loan program in Italy.

A leader in Minneapolis financial and business circles, Hill was chairman of the board of directors of the Northwestern National Bank of that city from 1945 until 1952. He later represented the New York investment banking firm of Harris, Upham & Co. for about a year before becoming a consultant to FOA.

After graduating from the University of Minnesota in 1909, he began his banking career as a clerk. In 1910 he joined the Minneapolis National Bank as assistant cashier and rose to the position of vice president. In 1922, he became vice president of the Northwestern bank. He was director of a number of corporations during his banking career.

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FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE

FOA No. 269

For Immediate Release
Tuesday, January 4, 1955

Montanari
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

OVERSEAS RAILROAD MEN TO STUDY U.S. METHODS

WASHINGTON -- Nearly 100 transportation officials from eight countries will visit the United States during 1955 under a continuing government program of giving foreign railroadmen opportunity to study the facilities and operating methods on American railroads.

In an exchange of letters, Harold E. Stassen, director of the Foreign Operations Administration, and William T. Faricy, president of the Association of American Railroads, revealed that this latest group will bring to 250 the number of such officials from 17 countries who have participated in this FOA technical assistance program.

The latest group to come to America for special railroad training includes 10 members of a 50-man Turkish railroad mission. Now completing their study, they will be followed by another team from Turkey in early 1955.

Tentatively scheduled to come to the United States early this year is a team of six officers of the Spanish National Railway. They will be followed later by 18 railroad technicians from Spain. Other countries which will send railroad men this year include Brazil, Colombia, Mexico, Israel, India, Thailand and Indonesia.

The first mission to take advantage of the railroad technical assistance program set up originally by the Economic Cooperation Administration, predecessor of FOA, included 71 railroad representatives from Belgium, Denmark, France, Germany, Greece, Italy, Netherlands, Norway, Portugal, Sweden, Turkey and the United Kingdom.

Other countries that have sent missions here include Austria, Yugoslavia, China (Formosa), Thailand and Indonesia.

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In addition to cooperating in the FOA technical assistance program at home, American railroads have sent approximately 40 of their top officers abroad at one time or another to provide foreign countries with direct aid in rehabilitating their railroads.

One such mission has been in Turkey since 1950 dealing primarily with improvements in management methods. Another mission made a four-month survey in East Africa to determine the best rail route between Northern Rhodesia and Nairobi, Kenya from the standpoint of engineering and economy. Other missions have gone to Norway and Germany.

In addition to the programs with FOA, American railroads have also helped train hundreds of other foreign and military personnel under programs set up by the former State Department technical cooperation program, now conducted by FOA, and programs of the Commerce Department's Office of International Trade, as well as those of the Labor Department and the Defense Department's Army Transportation Corps.

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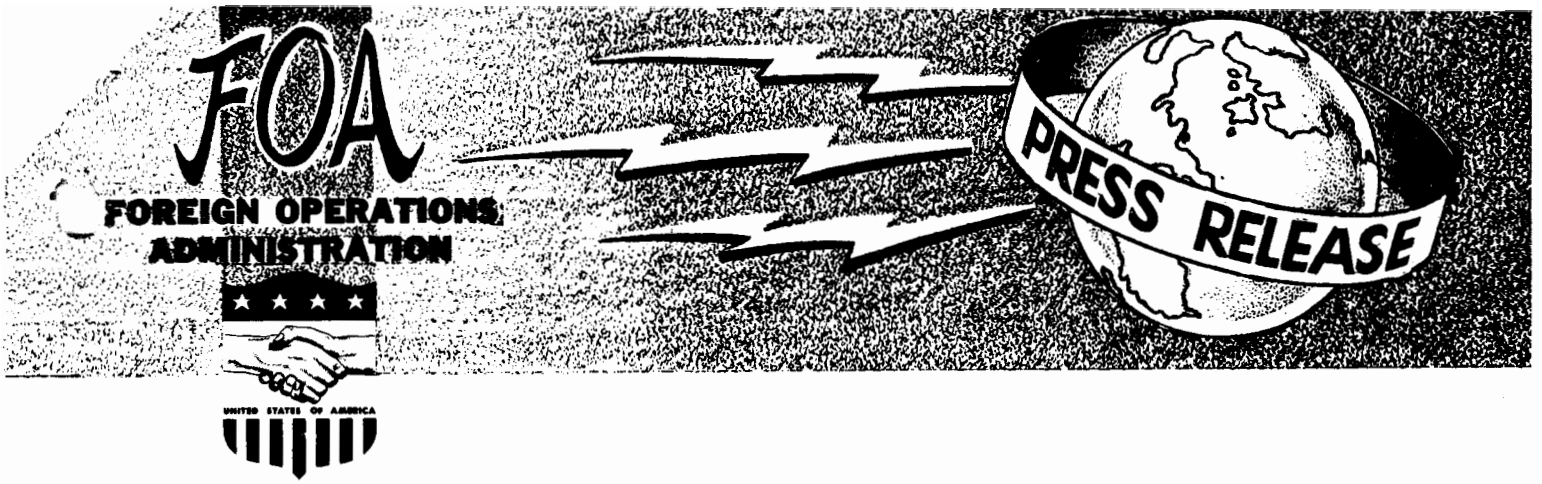

FOA No. 270

For Immediate Release
Wednesday, January 5, 1955

Caldwell
Office of Public Reports
STerling 3-6400, Ext. 2627
Rm. 400, 806 Conn. Ave., N.W.

WASHINGTON - The appointment of Wolf Ladejinsky to work in the field of his specialty with assignment immediately to assist in the program of land reform in Vietnam was announced by the Foreign Operations Administration today.

Harold E. Stassen, Director of the Foreign Operations Administration, stated that FOA had been interested in Mr. Ladejinsky's work in Japan in land reform and had now reviewed his security file and found him eligible for certification for security and loyalty pursuant to the President's Executive Order No. 10450 and Section 531 of the Mutual Security Act of 1954. The Department of State had previously cleared Mr. Ladejinsky under Executive Order No. 10450.

Mr. Stassen commented that he understood Mr. Ladejinsky would continue to retain his present re-employment rights at the Department of Agriculture during his period of employment with FOA and that he had talked with Secretary Benson who expressed satisfaction that this opportunity for employment in FOA will probably make good use of his special qualifications.

Mr. Stassen further stated that in this very difficult matter of evaluating personnel from a security standpoint individuals sometimes reached different conclusions, even as judges of any court sometimes have dissenting opinions. In view of the entire circumstances in this case he has gone into the matter very thoroughly, and was convinced that Mr. Ladejinsky would render further valuable service to the United States in the special field of land reform which he had competently handled in Japan.

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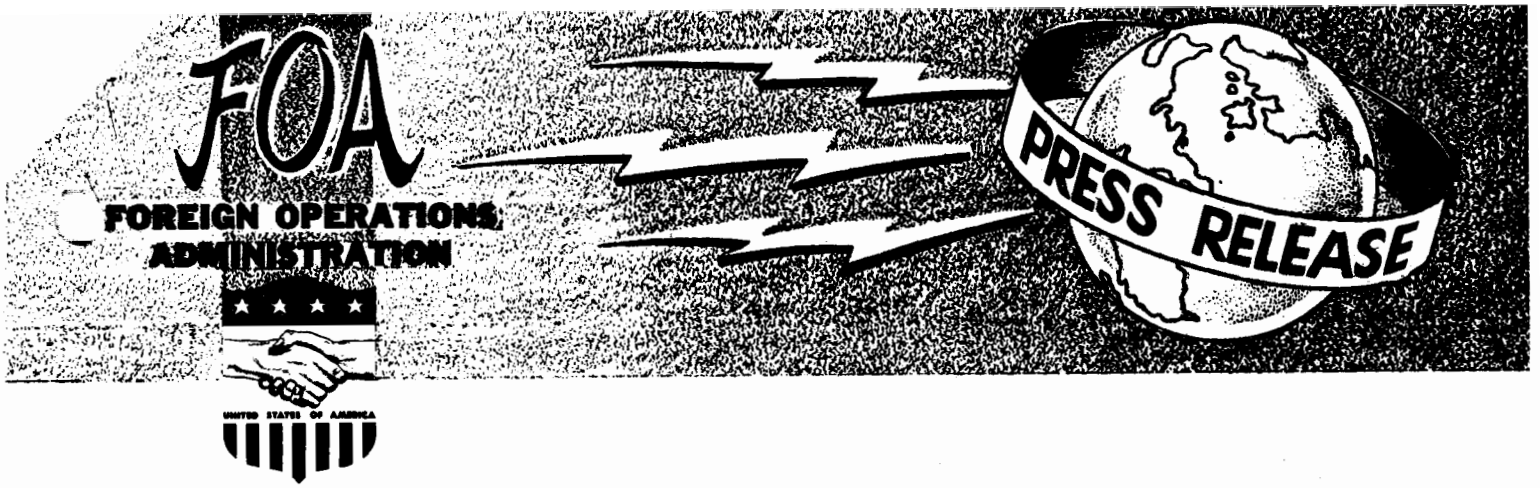

Following is the full text of Section 531, Security Clearance of the Mutual Security Act of 1954.

No citizen or resident of the United States may be employed, or if already employed, may be assigned to duties by the Director under this Act for a period to exceed three months unless --

(a) such individual has been investigated as to loyalty and security by the Civil Service Commission, or by the Federal Bureau of Investigation in the case of specific positions which have been certified by the Director as being of a high degree of importance or sensitivity or in case the Civil Service Commission investigation develops data reflecting that the individual is of questionable loyalty, and a report thereon has been made to the Director, and until the Director has certified in writing (and filed copies thereof with the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs) that, after full consideration of such report, he believes such individual is loyal to the United States, its Constitution, and form of government, and is not now and has never knowingly been a member of any organization advocating contrary views; or

(b) such individual has been investigated by a military intelligence agency and the Secretary of Defense has certified in writing that he believes such individual is loyal to the United States and filed copies thereof with the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs.

This section shall not apply in the case of any officer appointed by the President by and with the advice and consent of the Senate, nor shall it apply in the case of any person already employed under programs covered by this Act who has been previously investigated in connection with such employment.

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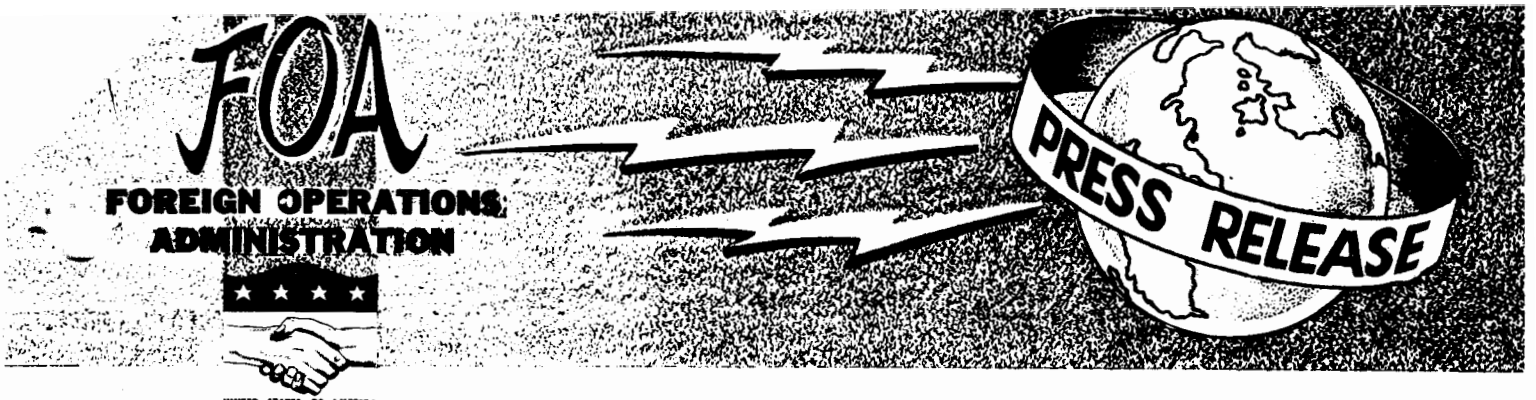

FOA No. 271

Montanari
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release
January 6, 1955

GROUP TO APPRAISE
FOA WORK IN SPAIN

WASHINGTON, January 6 -- Retired Army Major Gen. Harry C. Ingles has been appointed by FOA Director Harold E. Stassen to head a study of the Foreign Operations Administration program in Spain.

The survey, to be made by Gen. Ingles and three members of the FOA Washington headquarters staff, is one of a series of on-the-spot appraisals of FOA programs overseas. Others have been made in India, Brazil, Liberia and Libya.

The other members of the evaluation team, which is scheduled to leave Washington for Madrid by air Friday (January 7), are Robert B. Black, of the Office of the Deputy Director for Program and Planning; Harry K. Lennon, European Area Adviser of the Office of Industrial Resources, and Carroll S. Hinman, chief of the Evaluation Staff, Office of Research, Statistics and Reports.

The four-man group, which is expected to be in Spain for about three weeks, will report back to Stassen with an over-all evaluation of the economic assistance program in Spain.

The U.S. economic program for Spain began during the last (1953-54) fiscal year, when $85 million was made available from Congressional appropriations. A program of similar proportions is planned for this year.

The program has been devoted principally to building up agriculture, transportation and electric power. Basic industries such as steel and cement also were aided with equipment and raw materials. Important export industries also are obtaining raw materials through FOA-dollar financed imports. Technical assistance is provided in both industry and agriculture.

Gen. Ingles recently retired as president of RCA Communications, Inc., a post had held since his retirement from the Army in 1947. During World War II, he rose from chief of staff of the Caribbean Defense Command to deputy commander of the European Theater of Operations and later to Chief Signal Officer of the Army.

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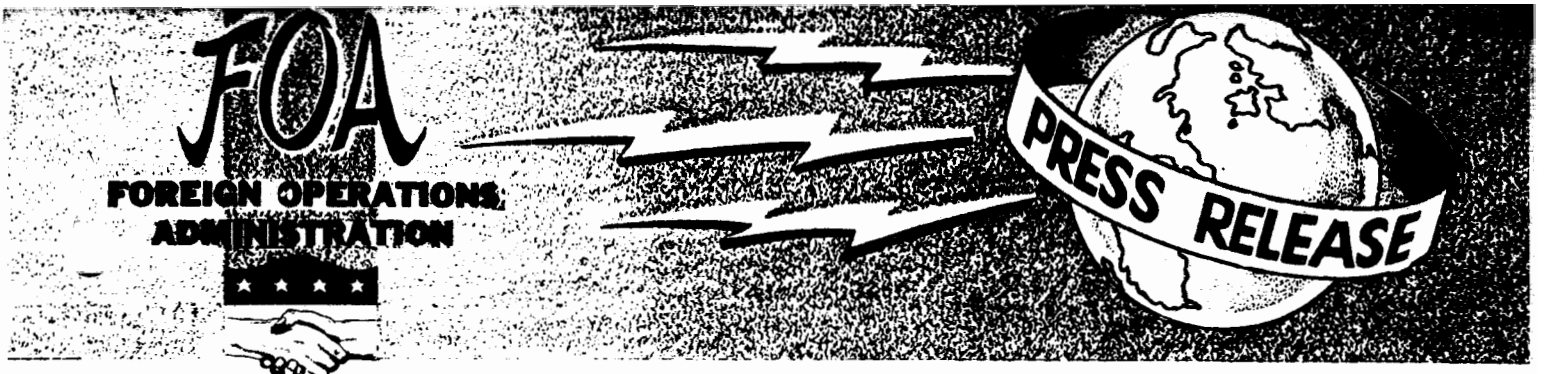

FOA No. 272

ADVANCE RELEASE for A.M. Papers of
January 10, 1955
(Also announced in Paris)

Montanari
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

TIMMONS NAMED TO HEAD
FOA MISSION IN FRANCE

WASHINGTON, January 9 -- Benson E.L. Timmons, Foreign Service Officer and deputy director of the FOA Mission to France, has been appointed Mission director, it was announced today by Harold E. Stassen, Director of Foreign Operations.

Timmons, who has been acting director since the resignation of Henry R. Labouisse last spring, has assisted in the operation of the U.S. economic and mutual security program in France since the early months of the Marshall Plan. He was appointed special assistant to the Mission chief in July, 1948 and a year later was promoted to the deputy post which he has held ever since.

The program for France, which has included aid for both French and national forces in Indochina, has been the largest administered by the Foreign Operations Administration and its predecessor agencies for any country, amounting to almost $4 billion since 1948.

Timmons, an economist with considerable experience in international finance before he joined ECA, the Marshall Plan agency, will be responsible for the FOA program of direct support for the military forces of France in Indochina, for which $400 million was authorized last year by Congress and the President.

In addition, the production of artillery, small arms and ammunition, for the French military units assigned to the North Atlantic Treaty Organization (NATO), has been financed by FOA under an $85 million authorization, and completion of this program also will be under Timmons' direction.

Another FOA program which Timmons will direct, the technical exchange program, brings French industrial, labor and public administration specialists to this country to study American methods and practices in these fields, and also provides the services of U.S. specialists in France.

Promotion of private U.S. investments in France through the FOA investment guaranty program is also a Mission activity.

In addition, the Mission to France directs technical and developmental assistance to French dependent territories in Africa. At present, such projects are under way, principally in the field of agriculture, in Tunisia, French Equatorial Africa and Madagascar.

Prior to his joining ECA, Timmons was a special aide to the Assistant Secretary of the Treasury for two years. He had served with the Treasury before World War II as assistant to the director of foreign funds.

He received the Legion of Merit and the Bronze Star, as well as four decorations from foreign governments, for his service with the U.S. Army from 1942 to 1946. His assignments while in uniform included the Board of Economic Warfare in Washington, the U.S. Embassy in London, where he was assistant to the minister for economic warfare, and the Allied Control Commission in Italy, where he served as chief financial adviser. Entering the Army as a second lieutenant, he left active service with the rank of lieutenant colonel.

A native of Sapulpa, Oklahoma, Timmons is a graduate of the University of Georgia and of Oxford University, which he attended as a Rhodes Scholar in 1938-40. He taught economics for a year at the University of Georgia before going to Oxford.

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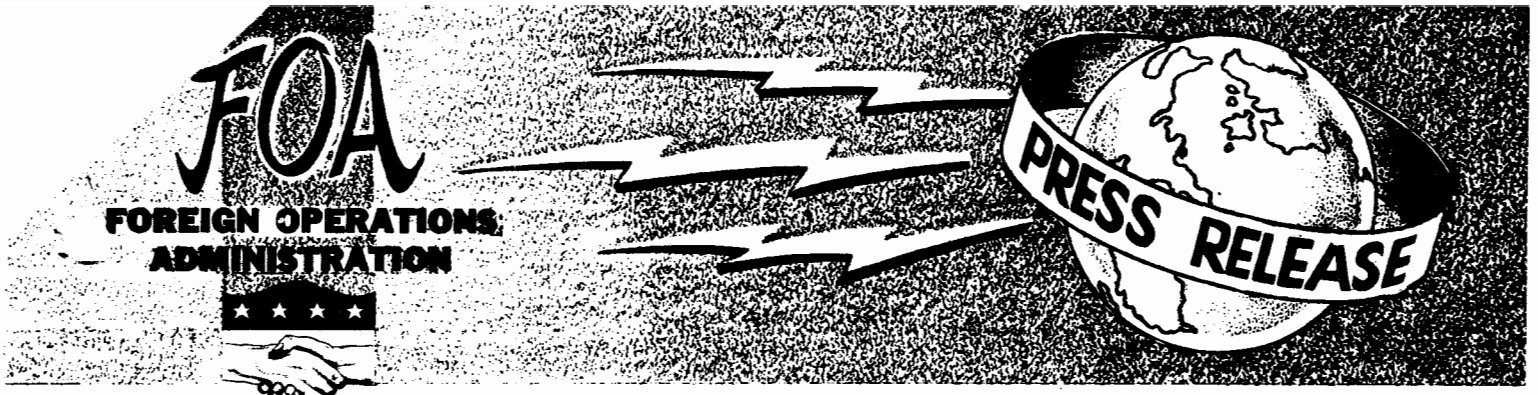

FOA No. 273

Immediate Release
Monday, January 10, 1955

R. Wilson
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

STOKES NAMED
TO FOA POST

WASHINGTON -- Joseph Morgan Stokes, experienced educator, has been named assistant Deputy Director for Technical Services of the FOA, Director Harold E. Stassen announced today.

Stokes will assist William F. Russell, former Chief Administrative Officer of Teachers College, Columbia University, in administering the Foreign Operations Administration's technical cooperation programs in nearly 60 underdeveloped countries of the free world.

A native of Bainbridge, Ga., Stokes, since 1949 has been administrative head of the Technical Institute of Aeronautics of the Brazilian Air Force, and simultaneously head of its Department of Humanities and the Division of Students.

The Institute, established in 1949, has standards comparable to those of M.I.T. and Cal. Tech and furnishes a corps of highly-trained engineers to Brazil.

Stokes was for three years Dean of the Faculty at the University of Massachusetts at Fort Devens--a special university developed to handle the overflow of GI students.

"The technical cooperation phase of U.S. foreign operations is one of the most important aspects of our mutual security programs with the other free nations of the world," Stassen has said, adding:

"Through these deeply humanitarian programs, the American people are assisting the peoples of the less developed countries of the world in their efforts to overcome hunger, disease, and lack of knowledge.

"These positive programs of improvement which consist largely of teaching, training and the exchange of information, are the most effective rebuttal to the empty propaganda promises of the Communists."

- more -

Stokes graduated from Presbyterian College of South Carolina in 1925. He received his M.A. and Ph.D. at Yale University and studied at Oxford University, where he was a Rhodes Scholar. He has taught at Presbyterian, University of South Carolina, Yale's Davenport College, and Wesleyan University.

He was a naval officer from 1942-46.

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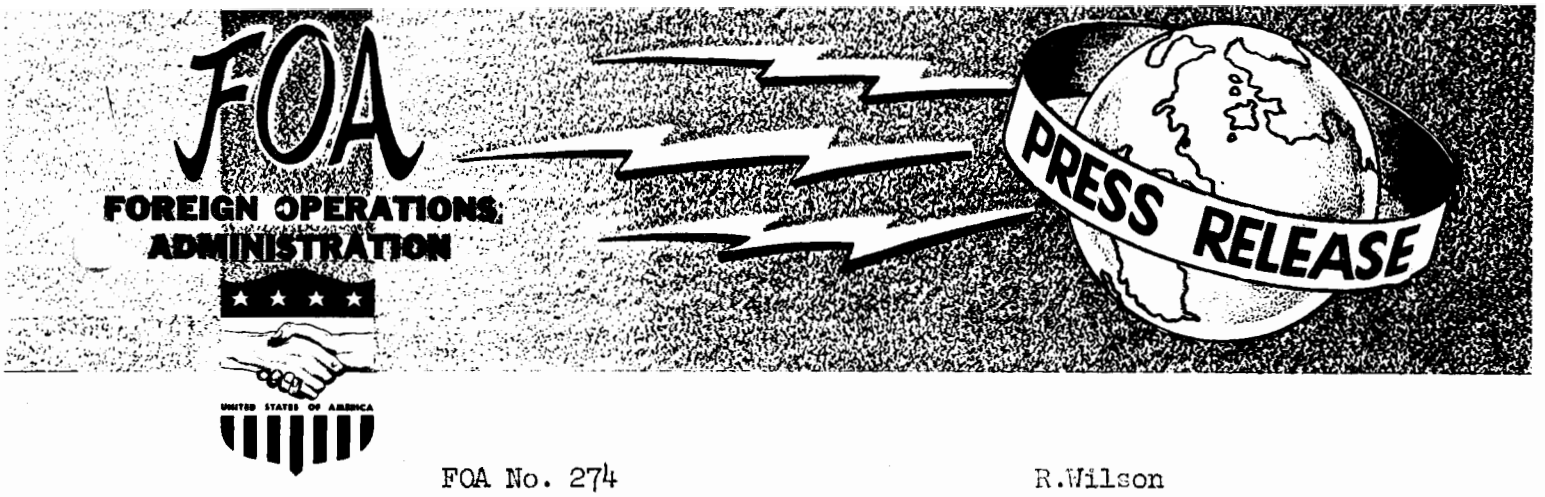

FOA No. 274

R.Wilson
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 411, 806 Conn. Ave., NW

For Immediate Release

STASSEN, BURGESS
WAUGH TO PARIS

WASHINGTON, January 10 -- FOA Director Harold E. Stassen left today by plane for Paris to attend the session of the Organization for European Economic Cooperation (OEEC).

He was accompanied by Samuel Waugh, Assistant Secretary of State for Economic Affairs, and Randolph W. Burgess, Undersecretary of the Treasury for Monetary Affairs.

The party, travelling by MATS plane, will return to Washington next weekend.

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1/10/55

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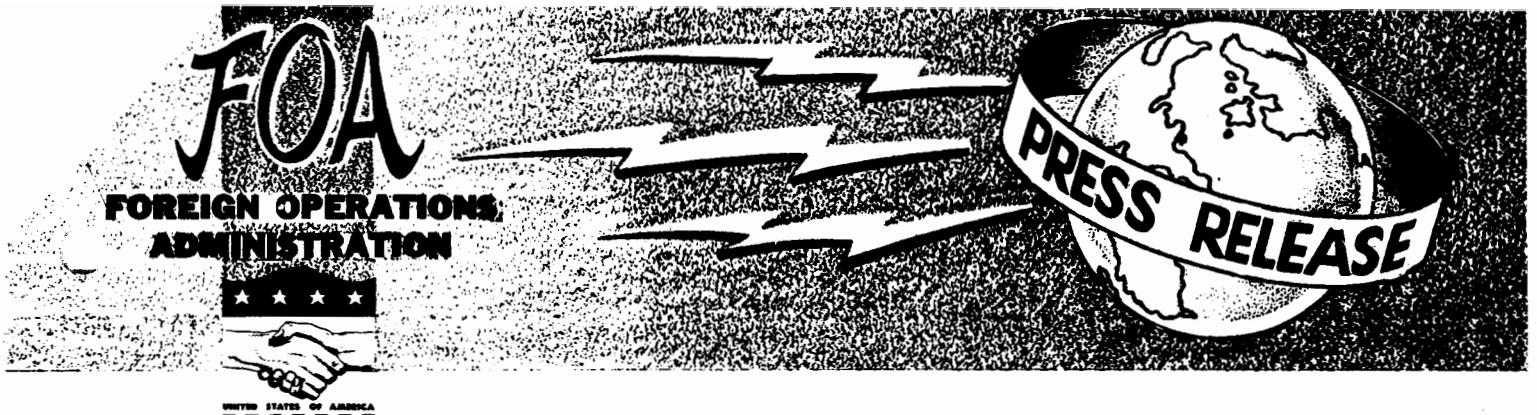

FOA No. 275

For Immediate Release
Tuesday, January 11, 1955

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

COLUMBIA TEACHERS COLLEGE
TO HELP MEXICAN EDUCATION

WASHINGTON -- Columbia University Teachers College will aid in the improvement of technical education in Mexico under terms of a three-year contract, FOA announced today.

First step in this program of technical cooperation will be a survey of Mexican industries to determine the extent of the need for technically trained workers and to lay the groundwork for present and future developments of technical education.

The over-all aim of the contract is to advance Mexican technical education for skilled workmen up to the highest professional level so that the economy and living standards can be kept abreast of the industrial development already under way in Mexico, the Foreign Operations Administration said.

The survey and study will be made by Mexican technicians under the guidance of Dr. Ramden L. Forkner, Director of Vocational Education at Teachers College, who will be chief adviser for the project. In addition, 25 short-term consultants from industry, Columbia, and other American universities will go to Mexico each year to assist in the study. Dr. Forkner is scheduled to leave for Mexico early this month, and Teachers College will start recruiting the consultants immediately.

FOA has allotted $175,000 for the first year of the contract. Total cost for the full period is an estimated $514,000.

The contract announced today is the 59th in FOA's growing program to enlist the experience and skills of U.S. educational institutions in the over-all technical cooperation program with the free countries.

FOA Director Harold E. Stassen has said that by bringing to bear upon under-developed areas of the free world the skills and resources of American universities the U.S. "can make within the next decade or two decades a tremendous contribution toward the fundamentals of the future peace and progress of the world."

Today's contract is the fifth FOA has arranged between Mexico and U.S. institutions since last May. Previous contracts linked the Armour Research Foundation of the Illinois Institute of Technology with the Mexican Institute of Technical Research, a subsidiary of the Bank of Mexico; the University of Michigan and El Oliver, a training school for mechanics; the University of Pennsylvania and the Mexican Government's Institute of Livestock Research; and the Texas Agricultural and Mechanical College and the Antonio Narro Agricultural School.

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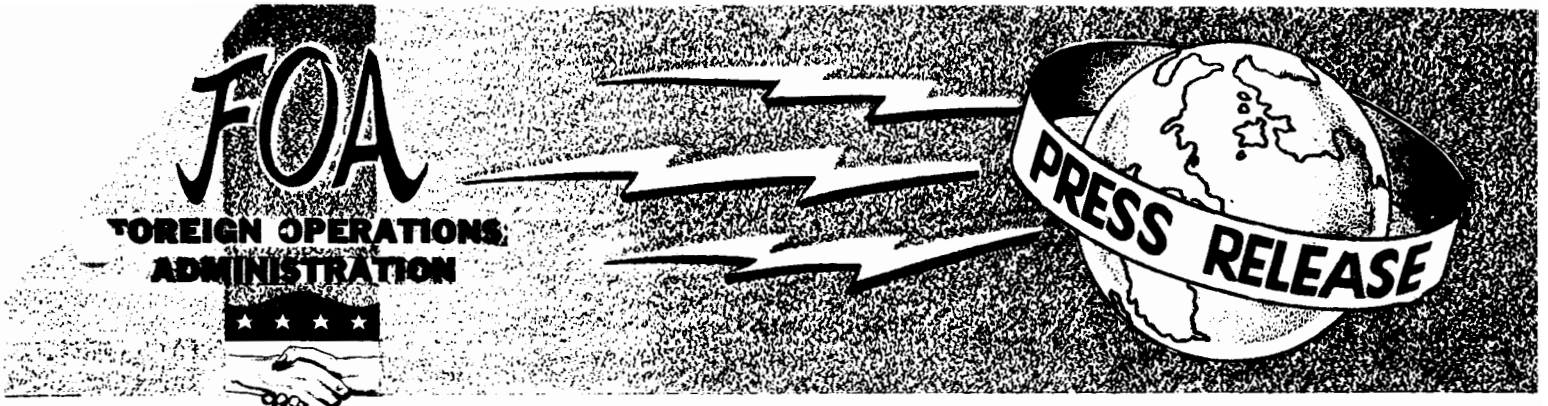
FOA
FOREIGN OPERATIONS ADMINISTRATION

PRESS RELEASE



FOA No. 276

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

ADVANCE RELEASE For P.M. Papers of
Thursday, January 13, 1955

UNIVERSITY OF FLORIDA
WILL ASSIST COSTA RICA

WASHINGTON, January 13 -- FOA today announced the signing of a three-year contract under which the University of Florida at Gainesville will help strengthen agricultural research and extension in Costa Rica.

University of Florida technicians will advise Costa Rican agricultural specialists on the establishment and development of research activities and extension facilities and will train them to maintain these projects.

Research training will be given in animal pathology, animal nutrition, and animal husbandry; plant pathology, particularly in coffee, sugar cane, rice, and cotton; horticulture; agronomy; soils; and agricultural economics.

The University technicians will advise on the establishment, development, and operation of research laboratories, field stations and demonstrations; in the development of technical publications, and in the selection of Costa Ricans for further training in the U.S. or other countries. The University will also provide for certain laboratory research studies in the U.S. for which Costa Rica does not have adequate facilities.

Nine University technicians and four short-term specialists will be sent to aid Costa Rica during the three-year period. Total cost of this program of technical cooperation will be $160,000.

The contract announced today is the 60th in the Foreign Operations Administration's growing program to enlist the experience and skills of U.S. educational institutions in the over-all technical cooperation program with the free countries.

FOA Director Harold E. Stassen has said that by bringing to bear upon underdeveloped areas of the world the skills and resources of American universities the U.S. "can make within the next decade or two decades a tremendous contribution toward the fundamentals of the future peace and progress of the world."

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FOA has been operating a program of technical cooperation in all phases of agriculture in Costa Rica, which is serving as a training ground for technicians from other Latin American countries, particularly in field extension methods, farm mechanization, and rural credit activities.

FOA has also sponsored cooperation programs in health and sanitation, transportation and power, and public administration.

In the fiscal year that ended June 30, U.S. contributions to the program of technical cooperation in Costa Rica totaled $810,000.

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FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE

FOA No. 277

ADVANCE RELEASE for P.M. Papers
of Friday, January 14, 1955

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

UNIVERSITY OF CALIFORNIA
TO HELP CHILEAN COLLEGES

WASHINGTON, January 14 -- FOA today announced signing of a three-year contract under which the University of California at Berkeley will help Chile improve the curricula and research and extension programs of its agricultural colleges at Santiago and Chillan.

Agricultural technicians from California will conduct seminars in teaching and advise on courses and curricula. They will also help develop research projects, and technical publications; and train research and extension personnel.

To strengthen the staffs of the U.S.-Chile agricultural cooperative, the Ministry of Agriculture and the agricultural colleges, the California technicians will also assist in selecting of up to 12 persons for advanced study in the United States.

FOA has allotted $50,000 for the first year of the contract. Total costs for the three years will be $150,000, with Chile making a matching contribution.

The contract announced today is the 61st in FOA's growing program to enlist the experience and skills of U.S. educational institutions in the over-all technical cooperation program with the free countries.

By helping to build stronger educational institutions and technical knowledge centers in the underdeveloped regions the U.S. can "make within the next decade or two decades a tremendous contribution toward the fundamentals of the future peace and progress of the world," FOA Director Harold E. Stassen has stated.

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The U.S.-Chile cooperative program in agriculture has been in operation since 1951. The Servicio under which it operates has been conducting a soil conservation program for the past two-and-a-half years and as a result a Department of Natural Resources, the first of its kind in Latin America, has been established in the Ministry of Agriculture.

Other agricultural activities include: an irrigation improvement program, a reforestation nursery; a soil survey; control and prevention of livestock diseases; plant research and experiments, and livestock food improvement.

Other major cooperative programs are in industry, mining, and health and sanitation.

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FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE

FOA No. 278

ADVANCE For Release in Papers of
Sunday, January 16, 1954

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

EDUCATIONAL GROUP
IS CREATED BY FOA

WASHINGTON, January 15 -- FOA today announced the creation of a special advisory group to be known as the Education Committee, which will hold its initial meeting in Washington on January 24.

Made up of outstanding and representative leaders from the field of education, the committee will consult regarding FOA's broad education program and policy with the Director of the Foreign Operations Administration, Harold E. Stassen, and with the FOA Education Division which is under the direction of Dr. Kenneth C. Ray, former Superintendent of Public Instruction for Ohio. The committee will review the world-wide education programs and advise on the most effective participation in them by educational institutions.

One form of FOA assistance to foreign countries is the financing of technical cooperation contracts under which American colleges and universities are helping free nations to build stronger educational institutions and centers of technical knowledge as aids to their economic and social development. Sixty-one of these contracts have been sponsored by FOA, involving 43 U.S. schools in 29 foreign countries.

Through this program in underdeveloped regions the United States "can make within the next decade or two decades a tremendous contribution toward the fundamentals of the future peace and progress of the world," Stassen has said.

The educators appointed by Stassen to serve on the Education Committee are:

Dr. William G. Carr, Executive Secretary of the National Education Association;

Dr. John A. Hannah, President of Michigan State College;

- more -

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Dr. Harry Dexter Kitson, vocational guidance consultant, of Mishawaka, Indiana;

Dr. Hugh Masters, Professor of Education, University of Georgia;

Dr. Benjamin C. Willis, General Superintendent of Schools, Chicago;

Dr. Lewis A. Wilson, New York State Commissioner of Education;

Dr. Herman B Wells, President of Indiana University.

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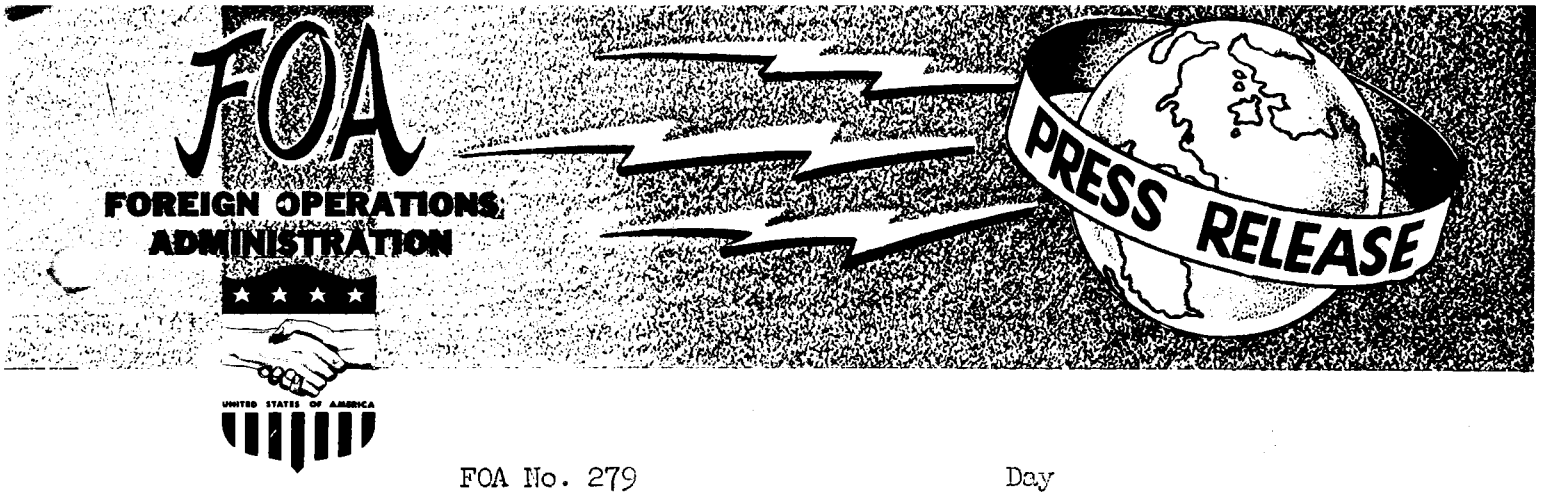

FOA No. 279

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release
Friday, January 14, 1955

U.S. SENDS COAL
TO FREE VIETNAM

WASHINGTON -- The shipment of 30,000 tons of anthracite coal from Pennsylvania to Free Vietnam has begun the FOA announced today.

The first shipment, about 10,000 tons, left Philadelphia on December 24 and is due in Saigon February 11.

A second shipload, now loading in Philadelphia, is due to arrive in Saigon in early March, followed by a third at the end of March.

The coal will be sold to utilities and private industries. Proceeds of the sale will be used by the Vietnamese Government to assist the national economy, as part of the Foreign Operations Administration's program of aid.

All of the coal produced in Vietnam comes from anthracite mines in that part of the country which comes under Communist control according to terms of the Geneva Conference.

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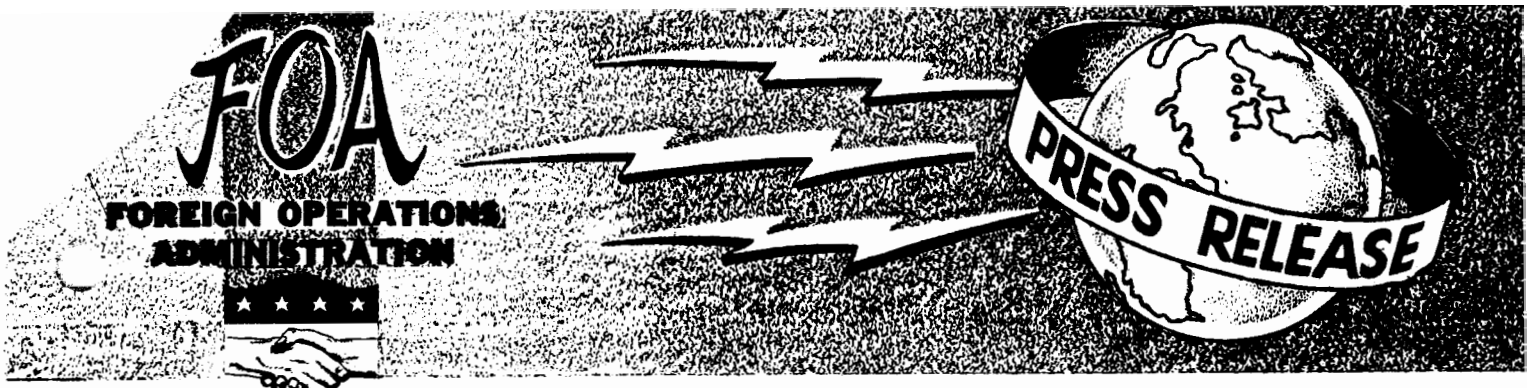

FOA No. 280

For Release at 4:00 P.M.
Tuesday, January 18, 1955

Caldwell
Office of Public Reports
STerling 3-6400, Ext. 2627
Rm. 400, 806 Conn. Ave., NW

STATEMENT
BY HAROLD E. STASSEN,
DIRECTOR FOREIGN OPERATIONS ADMINISTRATION

With regard to the Wolf Ladejinsky decision, I appreciated the statement of support by President Eisenhower, and I agree that I am responsible for my decision. I accepted that responsibility in the statement of January 5, 1955, in accordance with Executive Order No. 10450, and I continue to do so.

I also wish to make it clear that I respect the sincerity of the Secretary of Agriculture in reaching a different conclusion.

In accordance with the President's indication that those responsible in the matter should provide further information, the following summary is given.

As the Press Secretary to the President announced on January 5, the White House had previously asked heads of departments and agencies to use their best judgment in working out this situation.

Upon my receipt of this request, it appeared to me that I had three broad alternatives.

I could have responded that the case at that time involved the Department of Agriculture and the Department of State and did not involve the Foreign Operations Administration, and that I did not wish to have the Foreign Operations Administration take it up.

But I knew that if it had been feasible for the two departments to directly resolve the problem, I would not have been asked to enter into the matter, and I realized that it was neither wise nor just to permit it to remain in the then highly unsatisfactory state.

Or, secondly, I could have responded that I believed that it was necessary for the President personally to decide the issue between the two departments before the Foreign Operations Administration could take it up.

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But I knew that this would inevitably involve a personal review by the President of a lengthy record requiring hours of his time when he was currently engaged in the vital process of making the decisions required for the entire State of the Union Message and the 1956 Budget, and was also following the questions of United States policy in the case of the eleven airmen held by Communist China and the then current developments on the Western European defense situation.

I rejected these two alternatives and took up the case. I reviewed it thoroughly with the assistance of my staff in the Foreign Operations Administration and reached these findings of the facts:

1. Mr. Ladejinsky was born March 15, 1899, in Russia. He left Russia in his early youth and arrived in the United States on November 1, 1922. He was naturalized as a United States citizen in New York City on November 17, 1928. He is not, and has never been, a Communist.

2. He had a record of nineteen years of service to the United States Government without a blemish in this record.

3. He served under General Douglas MacArthur in Japan and had ably carried out a considerable responsibility in the successful land reform program, which has had as a by-product the defeat of the Communists in the rural areas of Japan. In a letter dated January 15, 1947, to the then Secretary of Agriculture, General MacArthur stated that Mr. Ladejinsky performed outstanding services in the land reform program in Japan.

4. Mr. Ladejinsky has had three sisters living in Russia. None of them are known to be Communists. His father, Isaac Ladejinsky, and his mother, Golda Skulsky Ladejinsky, both died in Russia. Neither of them was known to be a Communist.

5. He worked for Amtorg, the Russian trading corporation, in New York City in 1930 and 1931. Many leading American business firms and engineers worked for Amtorg in this early period of 1930 and 1931.

6. Two men I have known for many years, of unquestionable patriotism, keen powers of observation, and long experience in Asia, Dr. Walter Judd, Member of Congress, and Dr. Raymond Moyer, Regional Director of the Foreign Operations Administration, both stated that they had known Mr. Ladejinsky for many years and that they were certain of his loyalty, of the security of his conduct, and of his ability in the field of his specialty.

7. No one who personally knew Mr. Ladejinsky expressed to me any doubt of his loyalty or security.

8. Mr. Ladejinsky's name was on the mailing lists, during World War II, of some of the front organizations subsequently cited by the Attorney General as subversive. He was not a member of any of these organizations, and many thousands of loyal Americans were on the same mailing lists.

- more -

9. Mr. Ladejinsky made a trip to Russia in 1939 during which he visited his family. He has had contacts, at various times, with officials of the Government of the Soviet Union. He verifies that these were all in relation to his work for the United States Government, and in relation to sending food packages to his family after World War II.

10. He has written a number of articles in previous years which are not favorable to the Communist system.

11. No evidence was located that he at any time had written or spoken favorably of Communism.

12. No other pertinent information considered to be adverse to his security or loyalty was found in a comprehensive review of all information available to all departments of the United States Government.

Finally, the specialized skill which he had demonstrated in land reform is needed in Vietnam--Indochina--in connection with the resettlement of the hundreds of thousands of refugees who are fleeing Communism in North Vietnam, and in the land use program as a whole.

On the basis of these findings, I concluded that I should grant clearance for security to Mr. Ladejinsky in accordance with the President's Executive Order No. 10450 and Section 531 of the Mutual Security Act of 1954, and I offered to him an opportunity to work for the United States in the Foreign Operations Administration in his special field of land reform.

I discussed my decision with the Secretary of Agriculture and the Secretary of State, whose two departments had been at that time directly concerned in the matter, and on January 5, 1955, I issued an announcement, a copy of which is attached.

I was convinced then and am now, that my decision to grant security clearance and to use Mr. Ladejinsky's services was in accordance with the President's security program, and in keeping with the fundamental principles of justice and of human rights of our country. I am convinced that Mr. Ladejinsky will add another chapter of constructive service to our country and to the cause of freedom in his new work with FOA.

While I reiterate my respect for the sincerity and understandable difference of judgment of others, I sincerely believe that my decision was right--right for our country--right for President Eisenhower's administration--and right for Mr. Ladejinsky.

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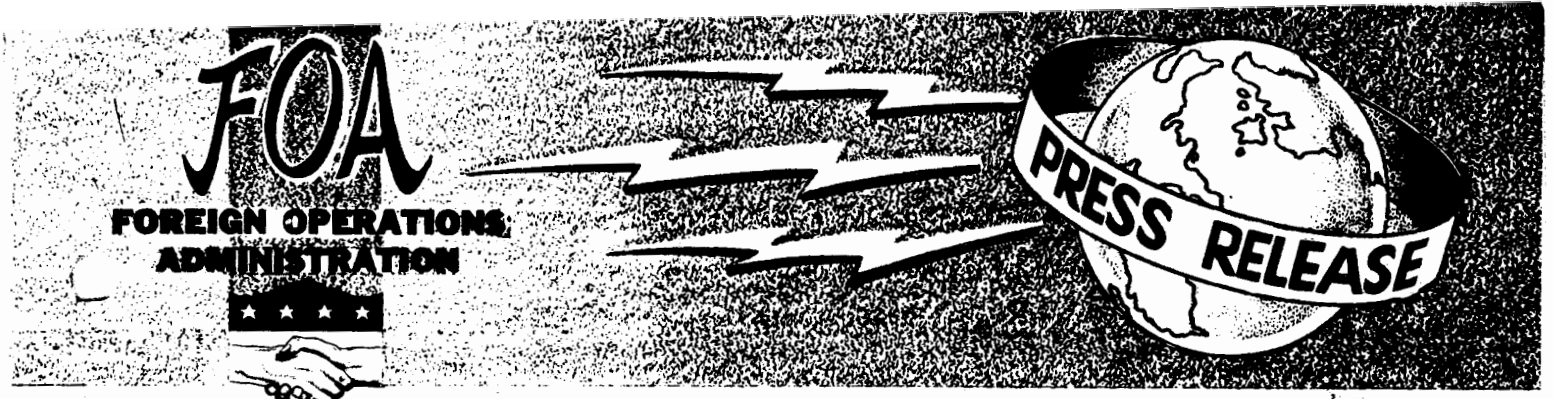

FOA No. 270

For Immediate Release
Wednesday, January 5, 1955

Caldwell
Office of Public Reports
STerling 3-6400, Ext. 2627
Rm. 400, 806 Conn. Ave., N.W.

WASHINGTON - The appointment of Wolf Ladejinsky to work in the field of his specialty with assignment immediately to assist in the program of land reform in Vietnam was announced by the Foreign Operations Administration today.

Harold E. Stassen, Director of the Foreign Operations Administration, stated that FOA had been interested in Mr. Ladejinsky's work in Japan in land reform and had now reviewed his security file and found him eligible for certification for security and loyalty pursuant to the President's Executive Order No. 10450 and Section 531 of the Mutual Security Act of 1954. The Department of State had previously cleared Mr. Ladejinsky under Executive Order No. 10450.

Mr. Stassen commented that he understood Mr. Ladejinsky would continue to retain his present re-employment rights at the Department of Agriculture during his period of employment with FOA and that he had talked with Secretary Benson who expressed satisfaction that this opportunity for employment in FOA will probably make good use of his special qualifications.

Mr. Stassen further stated that in this very difficult matter of evaluating personnel from a security standpoint individuals sometimes reached different conclusions, even as judges of any court sometimes have dissenting opinions. In view of the entire circumstances in this case he has gone into the matter very thoroughly, and was convinced that Mr. Ladejinsky would render further valuable service to the United States in the special field of land reform which he had competently handled in Japan.

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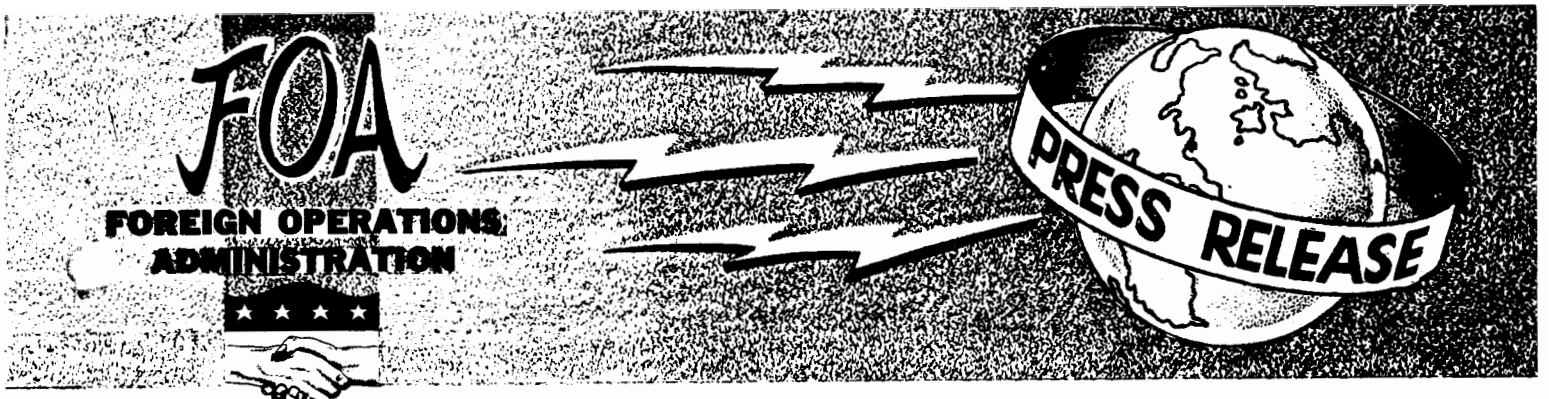

FOA No. 281

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release
Wednesday, January 19, 1955

FOA TO AID THAILAND
IN HIGHWAY BUILDING

WASHINGTON, January 19 -- FOA today announced that it will finance a $2,448,322 contract to send roadbuilding equipment to Thailand to hasten that country's economic development.

The contract, between the Raymond Concrete Pile Company of New York and the Government of Thailand, was concluded today in Washington. The equipment, ranging from steam rollers to an asphalt plant, is to be procured and shipped by the Raymond company, with delivery in Thailand completed within four months.

The equipment is to be initially used in construction of a highway linking Bangkok and Central Thailand with the underdeveloped Northeast provinces bordering Laos and Cambodia. Upon completion of the project it will be left for use in Thailand's continuing road improvement program.

American supervising engineers and contractors on the Northeast Road project will instruct Thais in the operation and maintenance of the equipment and in American methods of road engineering and construction. Two American firms are negotiating with the Thai Government on contracts for these jobs, and actual construction is expected to begin by early spring.

FOA has committed an initial $3 million to begin the project. The sum covers the costs of the roadbuilding machinery, a preliminary engineering survey made by the St. Louis firm of Sverdrup & Parcel, Inc., and a start on the costs of providing the American engineering firms to construct the highway and provide consultative and supervisory services to the Thai Government. Additional financing is being studied.

The Northeast Road construction is planned as a heavy-duty two-lane roadway from Saraburi, near Bangkok, toward Korat, the Northeast's principal city. Thailand plans eventually to construct the road to Ban Phai, 200 miles northeast of Bangkok.

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In addition to FOA's dollar expenditures, the Thai Government will pay for certain costs which can be met in local currency.

The road is seen as a key to the economic development of the potentially rich but now backward Northeast region. Special assistance was given to this area during 1954 as Communist pressures and propaganda activities increased.

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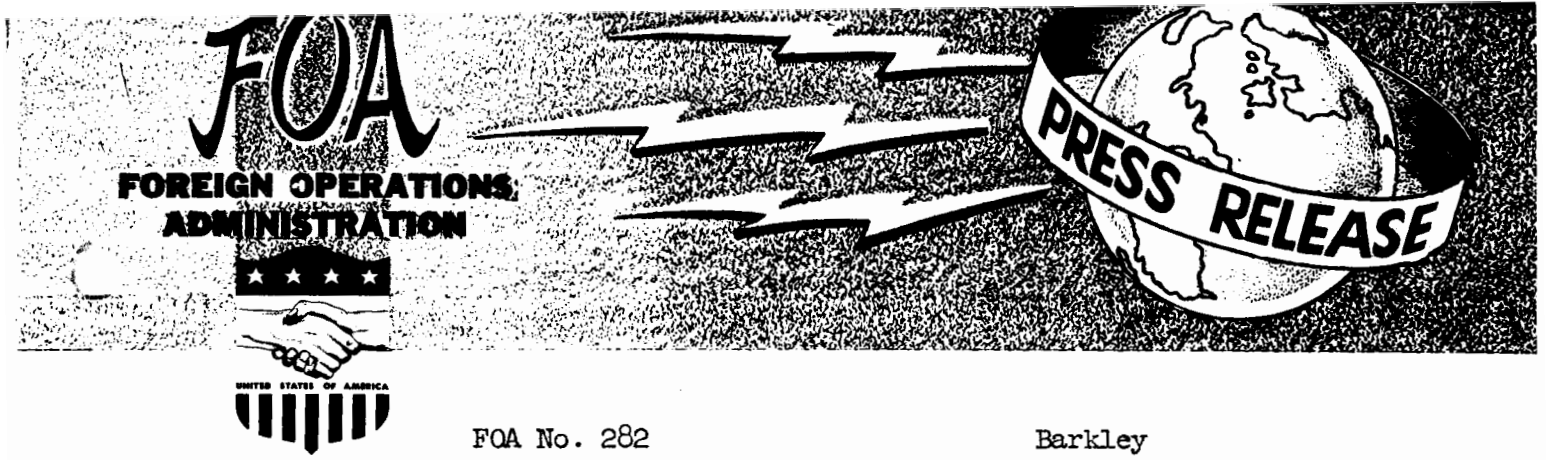

FOA No. 282

Barkley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release
Wednesday, January 19, 1955

CIO LEADER NAMED
FOA LABOR ADVISER

WASHINGTON, January 19 -- Harold Snell of Chicago, international vice president of the United Transport Service Employees (CIO) since June 1952, today was sworn in as FOA deputy labor adviser for the Near East, South Asia and Africa region.

The area adviser is Cornelius Miller, a former American Federation of Labor official.

In his new position with the Foreign Operations Administration, Snell will work with trade unions in the Near East, South Asia and Africa in their efforts to combat communist tactics and to lessen workers' susceptibility to communist propaganda.

He will assist in the development of FOA labor programs carried out in the region through technical cooperation projects. These programs include the training of host country labor leaders in the U.S. and their briefing in the functions of independent unions under a free enterprise system.

Snell, 48, is a native of Dayton, Ohio. He studied at the University of Wisconsin and University of Cincinnati and has lectured at the University of Chicago. Before becoming international vice president of the transport service employees union in 1952, he served five years as assistant to the president of the union. In 1951 he was a member of a mission sent to West Africa by the International Conference of Free Trade Unions to study labor problems there.

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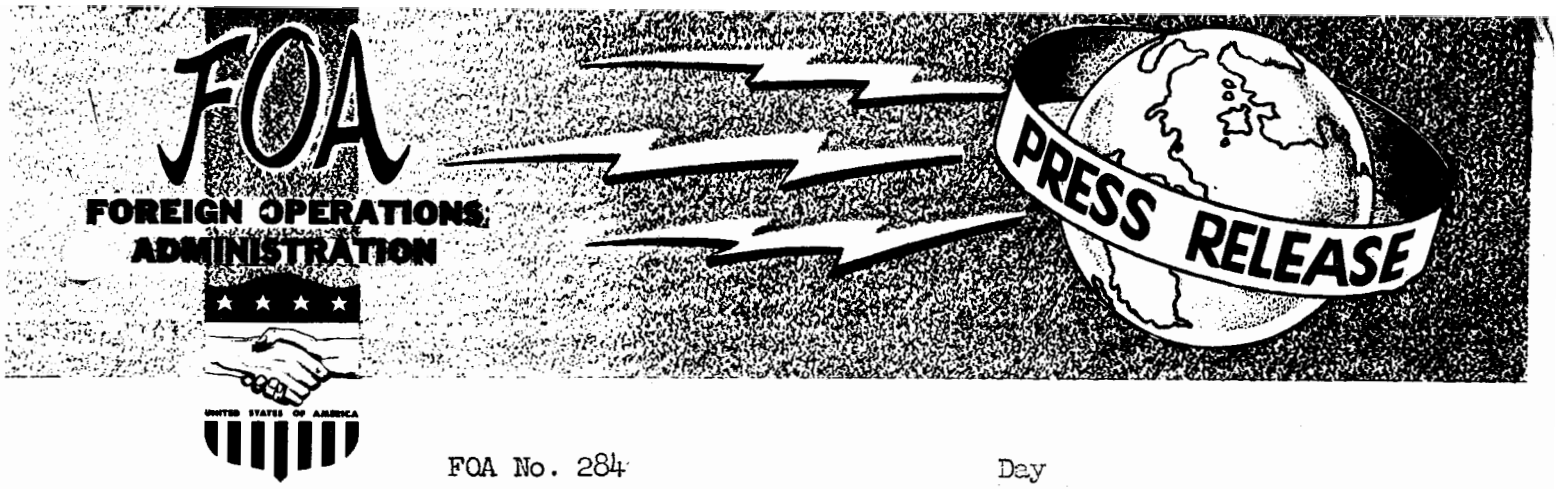

FOA No. 284

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

For Immediate Release
Monday, January 24, 1955

FOA IS STRESSING
EDUCATION'S ROLE
STASSEN DECLARES

WASHINGTON -- FOA Director Harold E. Stassen today told a newly-established education committee that "we are moving toward and have already made substantial steps into a much greater emphasis on education and the cultural implications of what we do world-wide."

"We, in assembling this education committee, have the conviction and the President has the conviction that this is the direction in which we should move," Stassen said.

He made his remarks following swearing-in of the members of the committee who then reviewed the status of the Foreign Operations Administration's educational activities in 35 countries of the free world.

FOA now employs 250 staff members overseas in the education program. In addition, 43 American colleges and universities under FOA-financed contracts have 260 representatives overseas on educational projects.

Members of the committee are:

Harvie Branscomb, Chancellor, Vanderbilt University; William G. Carr, Executive Secretary, National Education Association; Frederick L. Hovde, President, Purdue University; Mrs. Winifred H. Lancaster, Assistant Director of Santa Barbara Junior College, Santa Barbara, Calif.; Herman B Wells, President of Indiana University; Mrs. Sarah C. Caldwell, Kent Junior High School, Akron, Ohio; John A. Hannah, President of Michigan State College; Harry Dexter Kitson, vocational guidance consultant and professor emeritus of education, Mishawaka, Indiana; Hugh Masters, Professor of Education, University of Georgia; Benjamin Willis, Superintendent of Schools, City of Chicago, and Lewis A. Wilson, Commissioner of Education, State of New York. All but Drs. Hovde, Hannah and Kitson were present.

Dr. Willis was named chairman of the group, which will be a consultative body on FOA's education programs and policies, and advise on the most effective participation in them by educational institutions.

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Dr. William F. Russell, who is on leave as Dean of the Teachers College of Columbia University to serve as FOA's Deputy Director in charge of Technical Services, stated that the committee was formed because FOA felt the need for "closer contact with American education and a need for advice from a group of outstanding American educators."

Dr. Kenneth C. Ray, Chief of FOA's Education Division and formerly Superintendent of Public Instruction in the State of Ohio, told the group that "We know full well our debt to education. The rest of the free world knows it too, and is asking us to share our 'know-how' with them."

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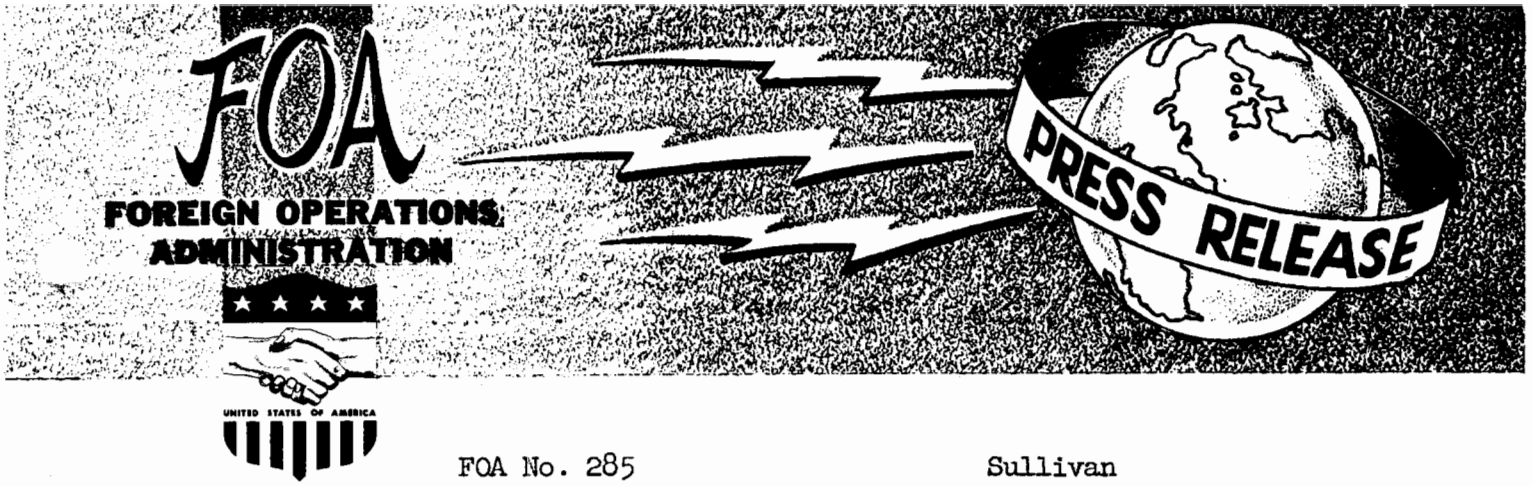

FOA No. 285

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

IMMEDIATE RELEASE
Tuesday, January 25, 1955

U.S. INCREASES AID TO BOLIVIA

(NOTE TO CORRESPONDENTS: FYI, a brief announcement concerning this aid program was made on January 20 at La Paz by the Bolivian Foreign Affairs Ministry. This release includes more detail than the earlier announcement, which gave only the total figure.)

WASHINGTON -- Director Harold E. Stassen has approved additional funds for Bolivia which bring to $18,060,000 the amount of development and emergency assistance approved to date for that country during the current fiscal year, the Foreign Operations Administration announced today.

The newly authorized funds include $5 million for development assistance and non-surplus foodstuffs under the Mutual Security Act and $8.7 million worth of surplus agricultural commodities from the Commodity Credit Corporation, including wheat and other products under Title II of P.L. 480. These funds are in addition to $3,160,000 for development assistance and $1.2 million for surplus commodities previously authorized for fiscal 1955.

The agricultural commodities include wheat and wheat flour, hog lard, cottonseed oil and raw cotton.

Emphasis in the development assistance program is on agricultural development primarily within the Santa Cruz area of Bolivia. The funds are being used to purchase tractors, land clearing and leveling equipment, irrigation and water equipment, farm machinery, road development and maintenance equipment, fertilizers, insecticides, and seeds.

Last year the Bolivian Government, faced with an economic crisis resulting from falling tin prices, started a general development program for the country after the United States allocated $12.5 million in development assistance and contributed $2 million to the emergency food production program to prevent famine and to stimulate economic diversification and development.

These sums are in addition to regular U.S.-Bolivia technical cooperation programs in operation since 1942.

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FOA
FOREIGN OPERATIONS ADMINISTRATION
UNITED STATES OF AMERICA
PRESS RELEASE

FOA No. 286

Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Release on Receipt

BACKGROUND INFORMATION FOR USE OF THE PRESS

(NOTE TO EDITORS AND CORRESPONDENTS: [illegible] piece on U.S. technical cooperation in Haiti has been prepared as a service to the press in connection with the visit to the United States of Paul E. Magloire, President of the Republic of Haiti.)

* * * * *

THE UNITED STATES TECHNICAL COOPERATION PROGRAM IN HAITI

The Republic of Haiti, whose President, Paul E. Magloire, will be a guest [illegible] the United States this month, is the only Negro republic in the Western Hemisphere.

U.S.-Haitian economic cooperation dates back to the U.S. Senate-approved treaty of November 11, 1916. This 10-year treaty provid[illegible] that "the Government of the United States will, by its good offices, aid the Haitian Government in the proper and efficient development of its agricultural, mineral, and commercial resources and in the establishment of the finances of Haiti on a firm and solid basis."

Haiti's currency was stabilized, the greater part of an arterial highway system built, steamship communications between Haiti and the U.S. were greatly improved, and trade and revenues increased under the treaty, a U.S. Senate Select Committee reported in June 1922.

The j[illegible] U.S.-Haiti technical cooperation program began in Haiti in 1942 with a program in health and sanitation. This was followed in 1948 by a cooperative program in agriculture and more recently with ones in rural education and public administration.

Chief objectives of this cooperative program have been to help the Government of Haiti raise the living standards of its people through increasing agricultural output [illegible] improving health conditions and rural education facilities.

Haiti is now recovering from the se[illegible] damage of Hurricane Hazel last October. Coffee, rice, and other agricultural crops were seriously damaged. The damage to coffee and cacao trees may severely limit production for more than a year, a serious blow, since coffee is Haiti's main export and its chief producer of

- more -

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revenues.

U.S. emergency relief to Haiti since Hurricane Hazel has totaled $2,740,000 to date. This included $2,000,000 worth of agricultural surplus commodities, plus $390,000 for air and surface freight charges, and $350,000 for development assistance, including seeds to replace washed-away crops, and light agricultural tools to replace those lost in the disaster.

The $2,740,000 worth of agricultural surplus commodities were allocated under Title II of the Agricultural Trade Development and Assistance Act of 1954, which permits the President to grant Government-held commodities to friendly peoples meeting famine or other urgent relief requirements.

U.S. contributions toward the joint cooperative programs totaled $1.9 million for the period June 30, 1950 to September 30, 1953. In fiscal year 1953 Haiti contributed $895,000 to match the U.S. contribution of $646,000 and in fiscal year 1954 the U.S. contribution totaled $1,035,000 and Haiti's about $900,000.

This fiscal year of 1955, in addition to funds for hurricane relief, the U.S. is alloting $1,165,000 to Haiti for technical cooperation. Haiti's contributions will total the equivalent of $1,008,560.

The U.S. Operations Mission in Haiti has a staff of 40 persons.

HAITI'S PRESIDENT

Paul Eugene Magloire is the first president of Haiti to be chosen by direct vote of the people. Magloire Ambroise, his great great grandfather, took a leading part in the 1791-1804 Haiti war of independence.

President Magloire was one of the three members of the Military Executive Committee which in 1946 governed Haiti from the time President Elie Lescot was removed by a coup d'etat in January until Dumarsaid Estime was elected in August. During this period he also served as Secretary of the Interior and Secretary of National Defense.

He was elected president on October 8, 1950.

President and Madame Magloire have five children. Two of them, Elsie, 16, and Mirtha, 14, are students at Oak Grove School, Vassalboro, Maine.

President Magloire has introduced economic reforms and sought to strengthen the educational system and increase the literacy rate, improve medical services and health conditions, and has taken the lead in moves to extend voting rights. Women over 30, who now vote only in municipal elections, will be granted full franchise by 1958.

ITINERARY

January 26, 27, 28, Washington, D.C.; January 29, 30, 31, February 1, 2 New York, N.Y.; Thursday, February 3, leave by plane for Nashville, Tenn., for unofficial visits there and to Chicago and Boston before departure on February 9 for Canada.

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HAITI'S ECONOMY

Haiti's economy is characterized principally by many very small individual land holdings devoted primarily to production for family subsistence. Coffee, of which the U.S. is the largest buyer, is the principal export, and constitutes between 50 percent and 60 percent of Haiti's exports. Sisal, a fiber used for rope making, and sugar are the second and third most important exports by value (16 percent and six percent, respectively). The United States buys almost the entire sisal output but only a small percentage of sugar exports.

Haiti's tourist trade is also an important source of income.

While agriculture is the main part of Haiti's economy, only 16 percent of its area is suitable for agriculture. A considerable part of Haiti is mountainous or rough-terrained and the remaining land is plagued by soil erosion caused by poor farming practices and over-use.

HAITI - THE COUNTRY

Columbus discovered Haiti when he landed at Mole St. Nicholas on December 6, 1492, and Haiti became a kingdom in 1801, under Toussaint L'Ouverture, a Negro leader, after successive Spanish and French domination. The kingdom lasted and declared its independence of France on January 1, 1804.

The Government of Haiti today is made up of a 37-member Chamber of Deputies elected every four years by popular vote and a 21-member Senate elected for six years. The President is elected for six years by a two-thirds vote of the Chamber and Senate. President Magloire was elected to office in 1950.

Port-au-Prince is the capital of Haiti and its chief port.

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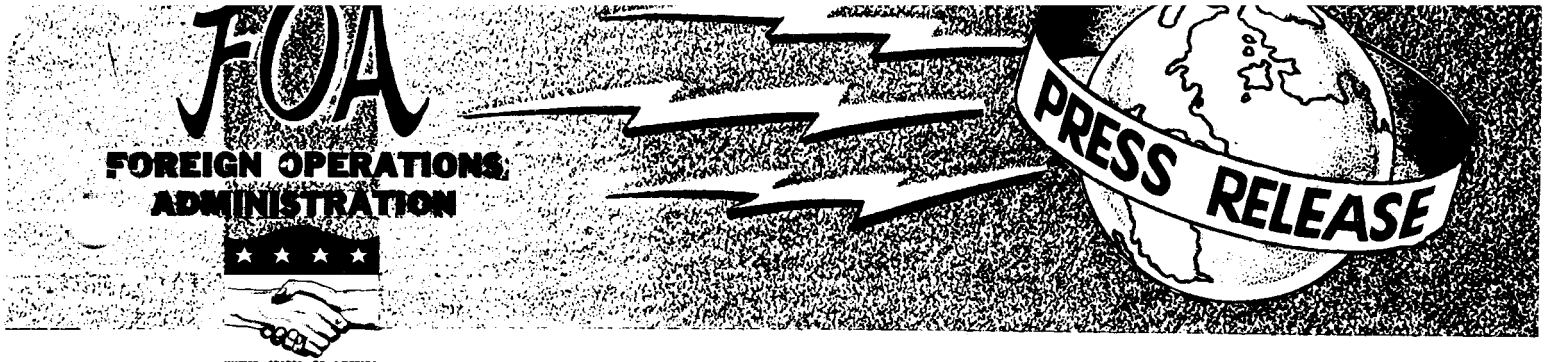

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For Immediate Release
Friday, January 28, 1955

FOA INSURES
BANK'S LOAN
IN ISTANBUL

WASHINGTON -- FOA announced today that it has insured the convertibility of a million-dollar loan made by the Bank of America, New York, for furnishing and equipping the new Istanbul-Hilton Hotel in Istanbul, Turkey.

The insurance, provided under the investment guaranty program of the Foreign Operations Administration, totals $1,049,600, representing principal and interest. The loan is to the Pension Fund of the Turkish Government.

The Turkish Government has enlisted American technical and management skills to erect, equip and operate a modern hotel in Istanbul to accommodate, among others, the many foreign visitors coming to Istanbul in connection with economic development projects.

The 300 room structure, Istanbul's first completely modern hotel and said to be one of the world's finest, is nearing completion. The hotel will be operated by Hilton Hotels International, under an agreement with the Pension Fund, which will share in the net profits. Aside from benefits accruing to the Pension Fund, it is expected that operation of the hotel will result in important foreign exchange earnings for Turkey.

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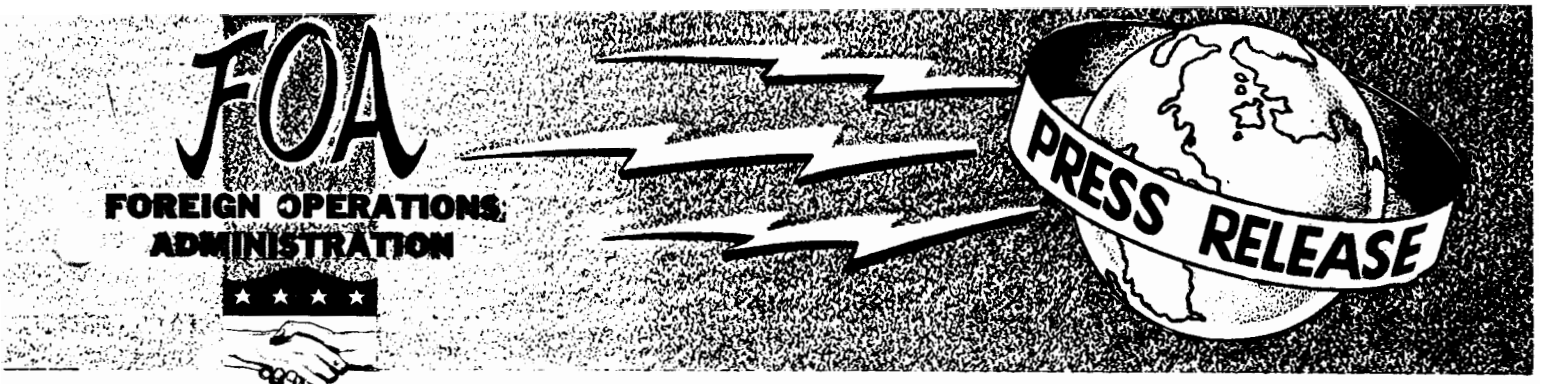

FOA No. 288

For Release in A.M. Papers of
January 31, 1955

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Office of Public Reports
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CONNECTICUT BUSINESSMAN
NAMED TO FOA PARIS POST

WASHINGTON, January 30 -- William A.G. Minot, businessman and for more than a year administrative assistant to former Governor John Lodge of Connecticut, has been appointed deputy director of the FOA Mission to France, it was announced today.

Minot, who will be sworn in on Tuesday, will assist Benson E. L. Timmons, Mission director, in the FOA program of support for French forces in Indochina, military production for NATO forces, technical exchange and promotion of private U.S. investment in France.

A resident of Greenwich, Conn., Minot shortly after World War II started his own business, the Canada Dry Bottling Company of Stamford, Conn., of which he is president and major stockholder. He also owned a bottling business in the Virgin Islands for two years.

He served with Governor Lodge from September, 1953 until the end of the Governor's term on January 5.

Minot was commissioned as an ensign in the U.S. Navy in 1942 and served for three years, most of the time as a member of a French-language team. He took part in the planning for the Normandy invasion while attached to SHAEF headquarters in Portsmouth, England, and landed at Utah Beach on D-Day. He was appointed assistant communications and liaison officer, and later communications officer, with the French Navy in Cherbourg. After V-E Day he arranged for the transfer of port communication facilities from the U.S. Navy to the French Navy. He left active service with the rank of lieutenant commander.

Born in the American Embassy in Berlin while his father was in the Foreign Service, Minot attended the Groton School and was graduated from Yale College in 1939. He was employed by the Hecker Products Company, now the Best Foods Corporation, in New York, and became assistant to the president of the Par Beverage Corporation. The Minot family, who make their home at Old Mill Road, Greenwich, will join him in Paris.

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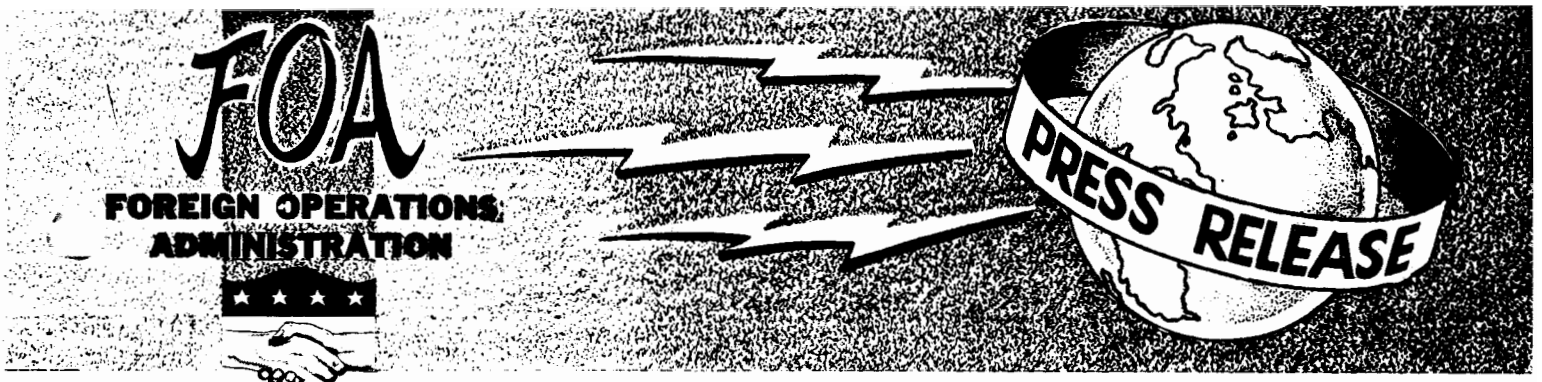

FOA No. 289

For Immediate Release
January 31, 1955

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KOREA TO ACQUIRE
U.S. ARMY STOCKS
WITH FOA'S GRANT

WASHINGTON -- FOA today made $43 million available to the Republic of Korea for the purchase of machinery, equipment and materials from Army stocks in order to accelerate the reconstruction and economic development program.

Items involved include road building equipment, petroleum tankage facilities, railroad equipment and rolling stock, construction equipment and materials, motor vehicles and a wide range of other goods needed in rebuilding the war-torn country.

Most of the items are stockpiled in Korea. Some are to come from Army warehouses in Japan.

The $43 million transaction brings FOA's total authorizations for non-military aid in Korea so far this fiscal year to $108 million out of the planned $280 million program. Additional funds under the $280 million program have been obligated by the Department of the Army for relief and by the United Nations Korean Reconstruction Agency for reconstruction.

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Look

GENERAL SERVICES ADMINISTRATION
Office of Public Information and Reports
EXecutive 3-4900, Extension 4511

GSA-315

Issued Jointly with Office of Public Reports
Foreign Operations Administration
STerling 3-6400, Extension 2655

FOR IMMEDIATE RELEASE
TUESDAY, FEBRUARY 1, 1955

The General Services Administration and FOA today announced that contracts have been awarded to two American companies and one British firm for the construction of 5,300 freight cars to be shipped to India to help rehabilitate that nation's transportation.

Of the total, 3,300 cars will be built in the U. S. and 2,000 in the United Kingdom.

The contracts, awarded for the Foreign Operations Administration by the General Services Administration, are part of an FOA program to provide the Indian railway system with a total of 100 steam locomotives and approximately 8,700 freight cars as part of U. S. economic aid to the South Asian republic.

In addition to the 3,300 freight cars awarded U. S. Industry, 50 of the locomotives are being built in the U. S. Harold E. Stassen, Director of FOA, pointed out that although U. S. bids were higher than those of overseas builders because of higher labor standards in the U. S., this part of the business was given the American railway equipment industry to help relieve an unemployment situation.

Freight car contracts awarded today by A. J. Walsh, GSA Commissioner of Emergency Procurement, are as follows:

1,650 broad guage complete cars to the Magor Car Co., Clifton, N. J., at about $4,290 each, which includes a special allowance of about $200 for American-built vacuum brakes, for a total of $7,080,298.50

1,650 narrow gauge complete cars to ACF Industries, Inc., Huntington, W. Va., plant, at about $3,530 each, which also includes the special allowance for American-built vacuum brakes, for a total of $5,826,546.

1,500 narrow gauge car bodies and 500 broad gauge car bodies to Metropolitan-Cammel Carriage and Wagon Co., of Birmingham, England, at approximately $1,365 and $1,792 each, respectively, for a total of $2,943,275. Contracts for wheel and axle assembiles forthese British-built bodies will be awarded separately.

Contracts already awarded for the 100 steam locomotives are as follows:

The Baldwin-Lima-Hamilton Co., Philadelphia, to build the 50 assigned to the U. S. They are being constructed at the company's plant at Essington, Pa., near Chester, a labor surplus area, at a contract price of $178,000 each, or a total of $8,900,000.

North British Locomotive Co., Glasgow, Scotland, and Hitachi, Ltd., of Tokyo, Japan, 25 each of the 50 locomotives to be built overseas. Their contract price is the same, $81,470 per locomotive for a total of $2,036,750 to each company.

(over)

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Contracts are now being negotiated for the remainder of the freight cars to be built overseas.

The total cost of the Indian railway rehabilitation program is estimated at $39,000,000, of which approximately $21,800,000 has been awarded the American railway equipment industry.

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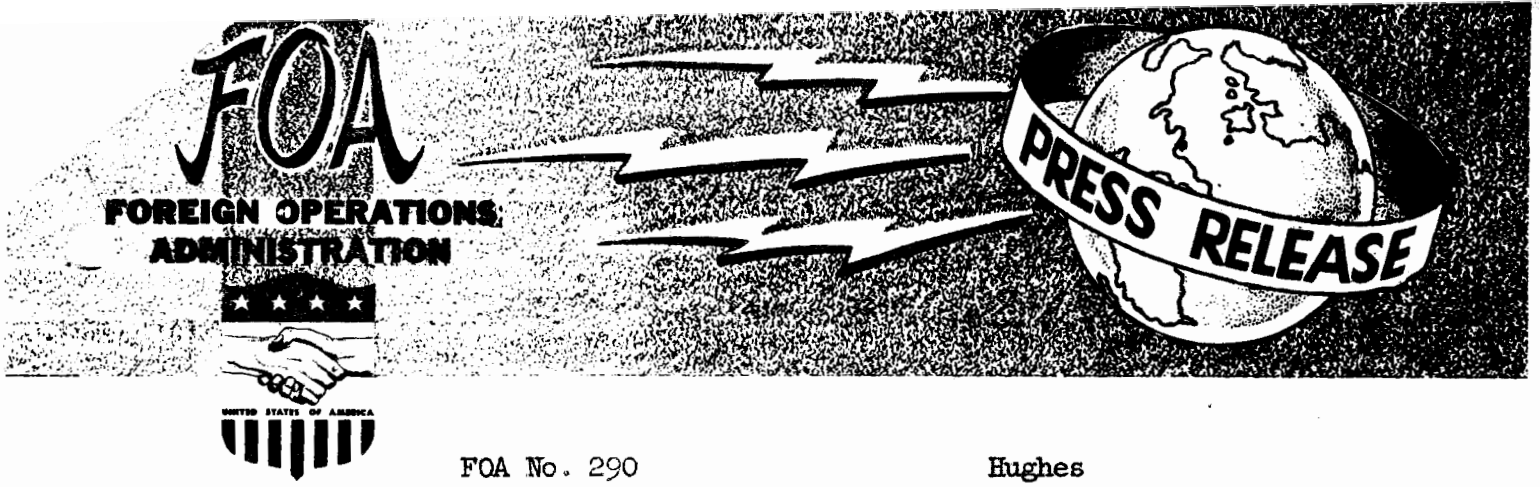

FOA No. 290

ADVANCE RELEASE For A.M. Papers
of Friday, February 4, 1955

Hughes
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

CALIFORNIA FIRM OBTAINS
FOA INVESTMENT GUARANTY

WASHINGTON, February 3 -- In the first such action outside the European area, FOA today guaranteed the ability of an American investor in a Philippine enterprise to convert earnings into dollars. The investment guaranty also protects the firm against loss from expropriation or confiscation.

The insured investor is Rheem Manufacturing Company of Richmond, Cal., manufacturer of steel drums, pails, and industrial containers. The firm has obtained guaranties totaling $450,000.

The FOA investment guaranty program is an insurance arrangement to protect U.S. investors against (1) the risk of being unable to "get their money out" of foreign countries because of currency exchange restrictions and (2) the risk of loss from their investments being taken over by foreign governments.

Officially classified as "convertibility" insurance and "expropriation" insurance, the two types of protection are available over 20-year terms in exchange for fees similar to insurance premiums.

The program - one phase of the Government's continuing efforts to interest American private enterprise in new foreign business ventures - thus far has been put to use only in European countries and in Turkey. Under simplified rules recently announced, the Foreign Operations Administration hopes to encourage a larger flow of private capital to other countries of the free world.

The Rheem Company, which already sells its products through companies it wholly or partly owns in the United Kingdom, Australia, Canada, Singapore, Argentina and Brazil, has helped organize and has acquired an interest in a new Philippine corporation known as Rheem of the Philippines, Inc. at Manila. Two Philippine corporations - San Miguel Brewery and A. Soriano y Cia - also have an interest in the new venture.

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In addition to an investment in cash and machinery, the U.S. firm has entered into licensing and service agreements with Rheem of the Philippines, granting the right to use patents and trademarks, and agreeing to furnish processes, techniques and other manufacturing information.

To cover currency receipts from its investment in the capital stock of the Philippine concern, Rheem Manufacturing Company has obtained an FOA "convertibility" guaranty totaling $200,000. In addition, as protection against loss of the investment through expropriation or confiscation, the U.S. company has purchased FOA "expropriation" insurance in the amount of $250,000.

While it is expected that eventually the Philippine concern will manufacture a number of the products of the U.S. Rheem company, at the outset the principal manufacture will be 55-gallon welded steel drums for storing and transporting petroleum products.

Rheem Manufacturing Company estimates that the 200,000 steel drums imported yearly for use in the Philippine petroleum industry cost about $1,600,000. Within two years of operations, it is believed, Rheem of the Philippines can supply the entire annual requirement, using imported raw materials costing about $700,000.

Thus an annual savings in dollar exchange of approximately $900,000 is in early prospect for the Philippines. Longer term benefits, FOA said, should result from the eventual manufacture of containers for export and from the encouragement given to increased industrial activity by the presence in the Philippines of a source of equipment for packaging, storing, and transporting industrial goods.

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FOA
FOREIGN OPERATIONS ADMINISTRATION

PRESS RELEASE

FOA No. 291

For Immediate Release
February 4, 1955

Sullivan
Office of Public Reports
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UNIVERSITY OF FLORIDA
WILL ASSIST NICARAGUA

WASHINGTON -- FOA today announced the signing of a contract under which the University of Florida will assist in the further development of Nicaragua's National Vocational Technical Institute in Managua and with industrial arts program in secondary schools.

The primary objective of this Foreign Operations Administration program of technical cooperation is to train maintenance mechanics needed because of a recent influx of modern mechanical equipment into Nicaragua. In the capital city of Managua horse-drawn taxicabs of only a few years ago have been replaced by new automobiles, farm tractors are rapidly being introduced, and air conditioning is becoming popular.

Harvey Meyer industrial educational director of Florida's College of Education, will be the chief advisor at Managua. He will be assisted by a staff of three industrial education specialists and an administrative officer, and by Harold Mahiman and Henry Opperman, FOA vocational specialists already in Managua.

FOA has budgeted $30,000 for the first year of the three-year contract. Total cost for the three-year period has been estimated at $200,000.

U.S. technicians have been assisting in the establishment of the Institute since 1951, when the Government of Nicaragua decided to build the country's first trade school with the technical cooperation of the United States. U.S. technicians initially assisted in the selection of a site, type of buildings to be constructed, teaching staff, and curricula. Now FOA technicians will conduct the trade school's classes, instruct its Nicaraguan teachers until they can take over, and aid in the training of teachers for secondary school industrial arts programs. These programs will serve as feeders for the Institute's courses, FOA said.

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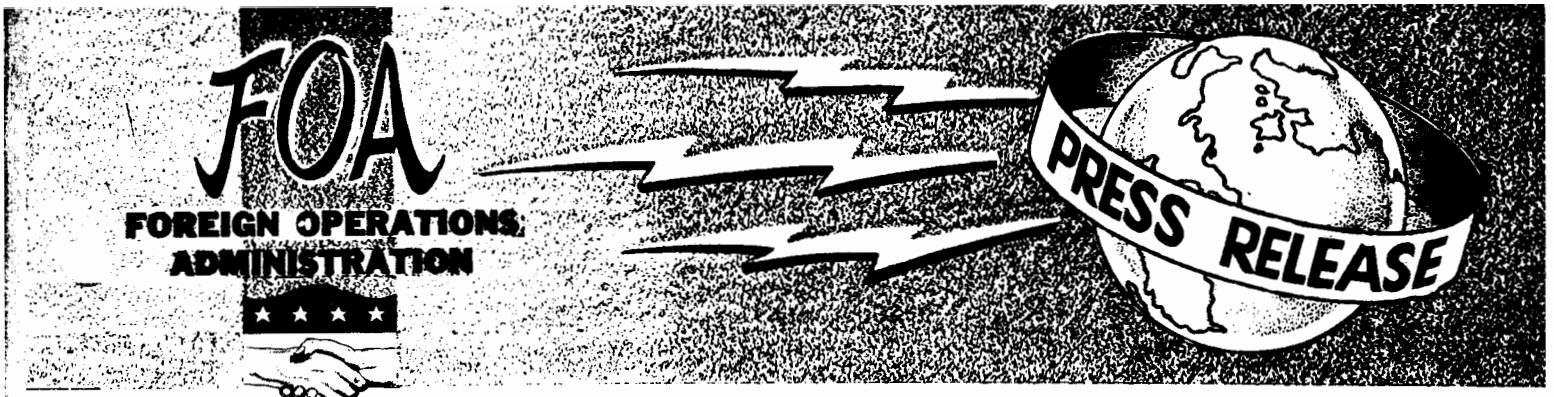

FOA No. 292

For Immediate Release
Monday, February 7, 1955

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Office of Public Reports
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PHILADELPHIA COMPANY
OBTAINS FOA GUARANTY

WASHINGTON, Feb. 7 -- A Philadelphia chemicals firm which is increasing its investment in an Italian enterprise has obtained a $17,500 FOA guaranty that exchange and currency restrictions will not prevent withdrawal of investment receipts.

E. F. Houghton & Co., the insured investor, manufactures and sells oils and chemicals used principally in the metallurgical, tanning, textile and paper industries. The company has a half interest in the Italian chemicals firm Prodotti Houghton Societa S.p.A., at Genoa.

Prodotti Houghton has announced a new preferred stock issue to raise working capital and for other corporate purposes. To cover its acquisition of 50 percent of the new stock, E. F. Houghton has obtained a "convertibility" guaranty protecting receipts from the additional investment.

The insurance is issued by the Foreign Operations Administration under the investment guaranty program which it operates as part of the Government's effort to encourage greater participation by American private enterprise in the economic build up of free countries.

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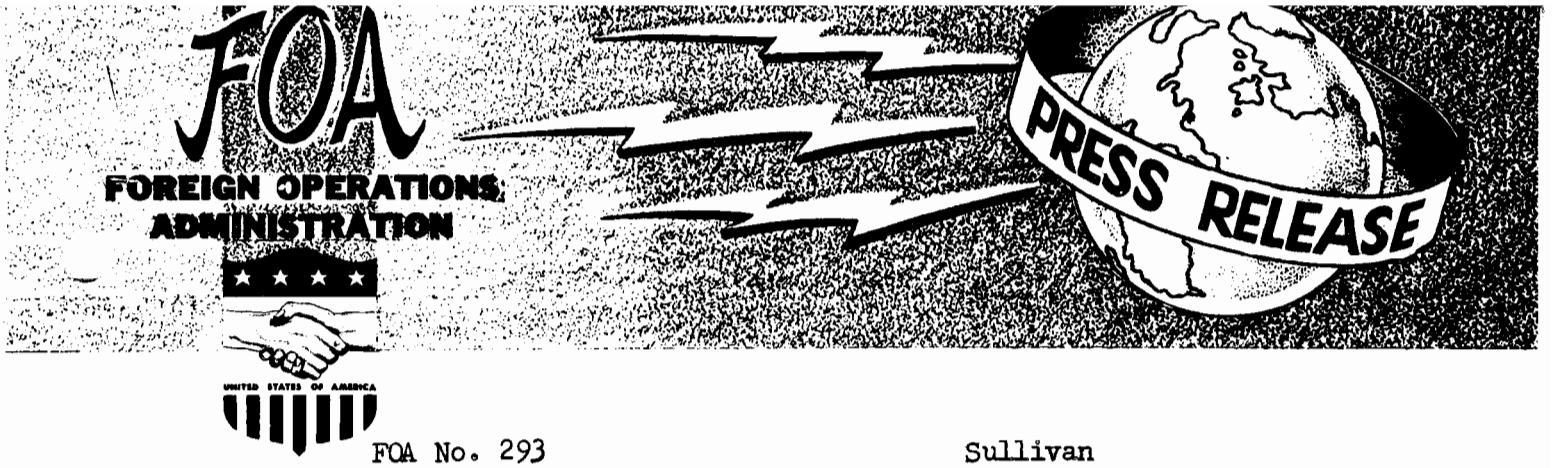

FOA No. 293

For Immediate Release
Monday, February 7, 1955

Sullivan
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STASSEN TAPS FRIELE
FOR FOA POST BRAZIL

WASHINGTON, February 7 -- FOA Director Harold E. Stassen today announced the appointment of Berent Friele of Bronxville, N. Y., former president of the American Coffee Corporation, as senior consultant to the director of the FOA Mission to Brazil. Robert Groves is acting director of the Mission.

Friele has lived in Brazil for many years and has been active in both inter-American organizations and private enterprises in Brazil and other Latin American countries.

A naturalized American, Friele first went to Brazil from his native Norway in 1916. For several generations his family had been active in trade with Brazil, and it was through this that Friele first became familiar with the country and its economic development.

He lived in Brazil from 1916 to 1925, when he came to the United States. He became associated with the Atlantic and Pacific Tea Company, in which he was a director, and later was elected president of the Coffee Corporation.

For four years beginning in 1941, Friele served as special representative in Brazil for the Coordinator of Inter-American Affairs, then Nelson A. Rockefeller. In 1946 he became associated with Rockefeller in private enterprises in Latin America, as a director and senior vice-president of the International Basic Economy Corporation and a director and vice-president of the American International Association for Economic and Social Development.

Friele is on leave from the Rockefeller organization to serve in the Brazil consultative post.

He is past president of the American-Brazilian Association and is a director of the Pan American Society.

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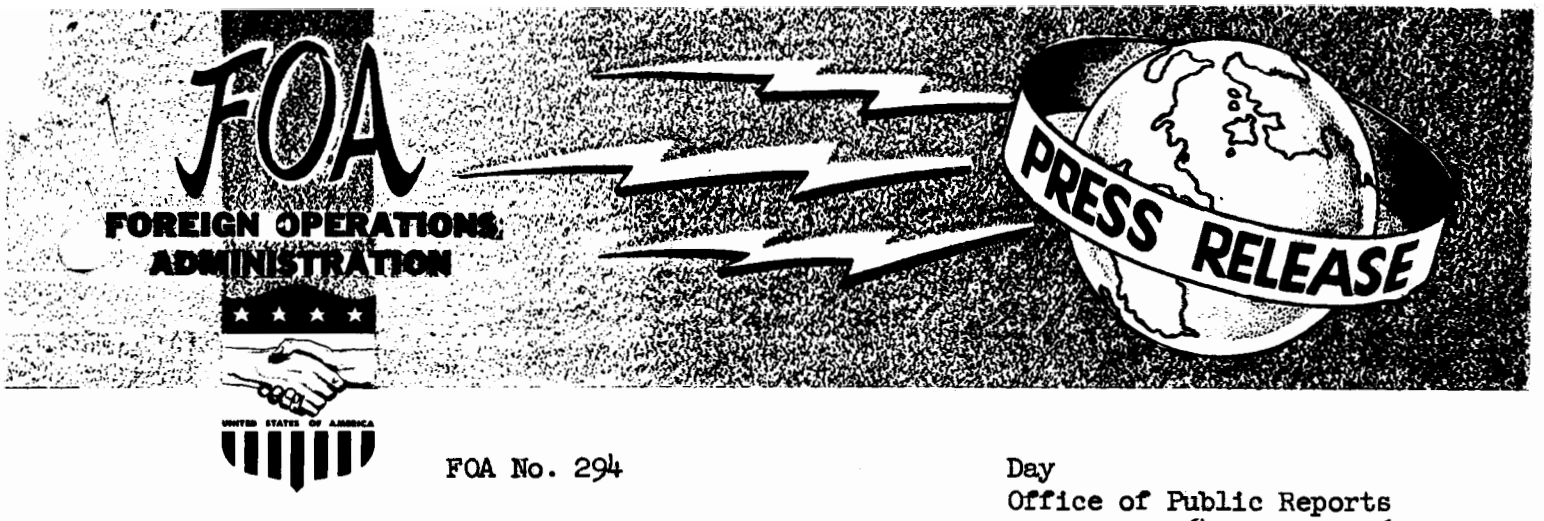

FOA No. 294

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For Immediate Release
Monday, February 7, 1955

FOA BOOSTS DOLLAR HELP
TO PHILIPPINE INDUSTRY

WASHINGTON -- FOA today announced added support to the Philippine Government's program for expansion of industry.

About $8 million, representing 40 percent of the Foreign Operations Administration's $20 million program for the Philippines this fiscal year, is being devoted to industry and mining.

In previous years, emphasis was upon agriculture, education, public health, public administration, transportation facilities, and the surveying of basic resources such as metals, minerals and coal.

FOA has approved a Philippine request to use $5 million of this year's FOA allocation to finance the import of industrial machinery for private industries. The pesos generated by these imports are to be used primarily in an industrial loan program to spur expansion of existing plants and establishment of new ones.

An FOA-assisted Industrial Development Center was opened last month. It will help businessmen and investors plan and launch industrial ventures, stimulate interest in improved industrial methods, and encourage increased investment in new and improved equipment.

Nelson DeFoe, a businessman from Windsor, Vermont, with a background in manufacturing and consulting engineering, has gone to Manila as Chief Advisor to the Center, and technicians under an FOA contract will be sent to work with Filipino experts in the Center. The Center is to be continued as a permanent agency of Philippine government and private business interests.

Enlarged manufacturing capacity and increased efficiency are expected to lead to greater Philippine consumption of manufactured goods, increased foreign trade, additional processing and consumption of local materials, increased employment, and a higher living standard. At present, Philippine industry contributes only 15 percent of the national income.

- more -

Since U.S. aid programs were started in the Philippines in 1951, less than 10 percent of the funds have gone to the development of industry and mining. Agriculture has taken one-third of the funds, public works another 20 percent, and public health, education and public administration most of the balance.

In the current fiscal year, with industry taking $7.9 million of the $20 million FOA aid fund, agriculture's share is $4.3 million, transportation $2.2 million, health and sanitation $1.8 million, and education and public administration each $1.6 million. Miscellaneous program costs absorb the remainder. The Philippine Government has been continually increasing its support of the projects which have been launched in these fields.

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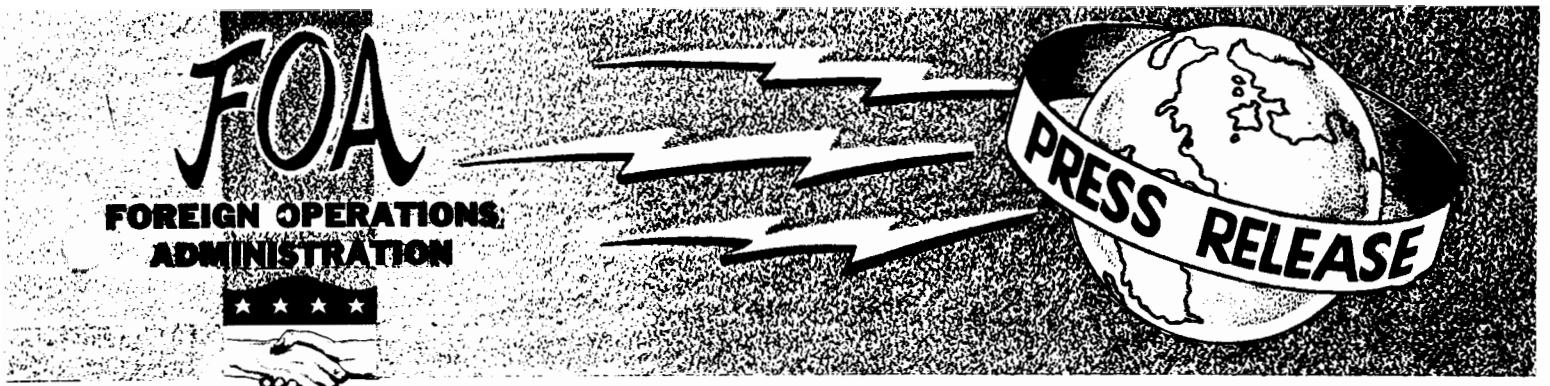

FOA No. 295

For Immediate Release
February 10, 1955

Barkley
Office of Public Reports
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FOA AND ISRAEL
IN $15,000,000
LOAN AGREEMENT

WASHINGTON -- FOA today announced the signing of the first loan agreement with a foreign government under the Mutual Security Act of 1954, a $15,000,000 loan to Israel in Israeli currency repayable in 40 years at four percent interest.

The loan is part of the $30.3 million allocated to Israel earlier this year from current development assistance funds.

The action was taken in accordance with the Mutual Security Act requirement that of funds made available to FOA, including foreign currencies received from the sale of surplus agricultural commodities, at least the equivalent of $200 million in assistance to foreign countries must be in the form of loans.

The loan agreement with Israel was signed by Ambassador Abba Eban and Maj. Gen. Glen E. Edgerton, U.S. Army retired, chairman of the board of the Export-Import Bank of Washington. The Bank administers FOA assistance loans under provisions of the Mutual Security Act.

Israel will purchase $15,000,000 worth of U.S. surplus agricultural commodities, paying for them in local currency. The primary commodities will be wheat, cotton and corn. The Israeli pounds the U.S. will receive for these commodities in turn will be loaned to the Israeli Government and repaid over the 40-year period.

The U.S. agrees to receive repayment in Israeli currency at its rate of exchange at the time of the repayment. Also, the U.S. agrees to take into consideration the economic position of Israel at the time the loan becomes due.

FOA is negotiating similar type loan agreements through the Export-Import Bank with other friendly foreign governments.

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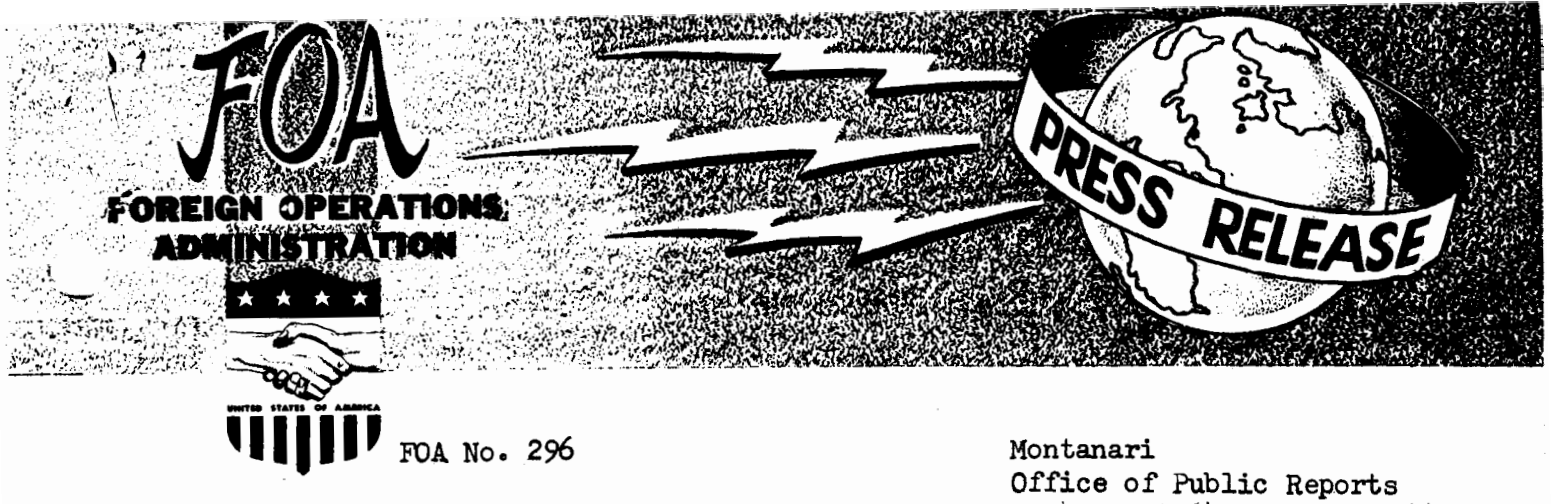

FOA No. 296

For Immediate Release
(Also Announced in Rome)

Montanari
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

FOA ALLOTS $15½ MILLION
FOR ITALY'S DEVELOPMENT

WASHINGTON, February 11 -- FOA today allotted $15,520,000 in mutual security funds to Italy in support of the nation's long-standing efforts to built up the economy of its underdeveloped southern areas.

The allotment was made after an exchange of letters between U.S. Ambassador Clare Boothe Luce and Prime Minister Mario Scelba in Rome, concluding negotiations over the past several months between the two governments.

The $15,520,000 defense support aid will be used by Italy to finance imports of cotton from the United States, under Section 402 of the Mutual Security Act of 1954.

This section provides that at least $350 million of mutual security appropriations shall be used to finance sales of surplus U.S. agricultural commodities for foreign currencies. The foreign currency proceeds are used for purposes consistent with the Mutual Security Act.

The lira proceeds of the $15,520,000 worth of cotton to be paid by Italian purchasers will be used by the Italian Government to build roads and other productive public works basic to the development of Southern Italy.

These projects, bolstering a development program for Southern Italy launched by the Italian Government in 1950, are expected to create new employment in this important area.

For the long term, the construction of productive public works should also help to attract increased investment from both within and outside Italy to this underdeveloped area.

-more-

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The defense support agreement, in promoting public works in Southern Italy, supplements an earlier agreement concluded in June 1954, when the Foreign Operations Administration allotted $20 million, the counterpart of which is used as a revolving industrial loan fund designed to speed up the development of industries in the Mezzogiorno (South) and insular areas.

Italy has already made a major effort for the revitalization of this area, comprising about one third of the country's area and population. Italy's efforts have been channeled through the Cassa per il Mezzogiorno (Fund for the South), a public agency established to carry out a broad program of action in such fields as land reclamation, irrigation and conservation, and for development of roads, railways, aqueducts and sewers. The Cassa's average annual budget is equivalent to $175 million.

Complementing loan operations already started under Italian Government sponsorship in addition to the basic Cassa program, the U.S.-generated fund will stimulate small and medium sized enterprises, particularly in industrial fields new to the under-industrialized areas.

Letters were also exchanged by the two officials confirming an understanding previously reached between representatives of the U.S. and Italian governments for the continuing use of a Trieste counterpart lira industrial loan fund. This fund, a revolving one, was originally generated by some $37.5 million in U.S. Marshall Plan aid given to Trieste between 1948 and 1952.

Under today's agreement, as outstanding loans are repaid into the fund, new loans will continue to be made on a medium and long term basis at an annual interest rate of 5½ percent.

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2/11/55

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FOA
FOREIGN OPERATIONS ADMINISTRATION

PRESS RELEASE

FOA No. 297

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release
Wednesday, February 16, 1955

FOA AIDS LATIN AMERICA
AGRICULTURAL INSTITUTE

WASHINGTON -- FOA today announced the signing of a contract with the Inter-American Institute of Agricultural Sciences at Turrialba, Costa Rica, through which certain technical services will be available to FOA Missions and Latin American countries. These services pertain to the improvement of the efficiency of production and marketing of cacao and coffee.

The contract also provides support for other agricultural and home economics programs through information and training.

Over a three-year period the Foreign Operations Administration will supply an estimated $725,000 to the Institute, which is an operating agricultural unit of the Organization of American States.

The Institute will distribute agricultural and home economics educational materials, publications, film strips, and similar aids. It will help countries develop their own materials and will encourage exchange of information and materials about agricultural and home economics programs underway in Latin America.

The Institute also will provide technical training for Latin Americans taking part in projects in which FOA is cooperating through its Missions.

The Institute will provide a staff of up to 20 technicians at Turrialba for purposes of the contract. They will be specialists in coffee and cacao production and marketing, agriculture and home economics information services, and technical agricultural training. The technicians will work with United States and Latin American specialists, with Latin American Ministries of Agriculture, and will cooperate with private organizations, including the American Cocoa Research Institute, which has a field research headquarters at Turrialba.

Most of the Latin American countries are producers of cacao and coffee and have a common interest in such problems as disease and insect control and the development of better cultural methods and better varieties.

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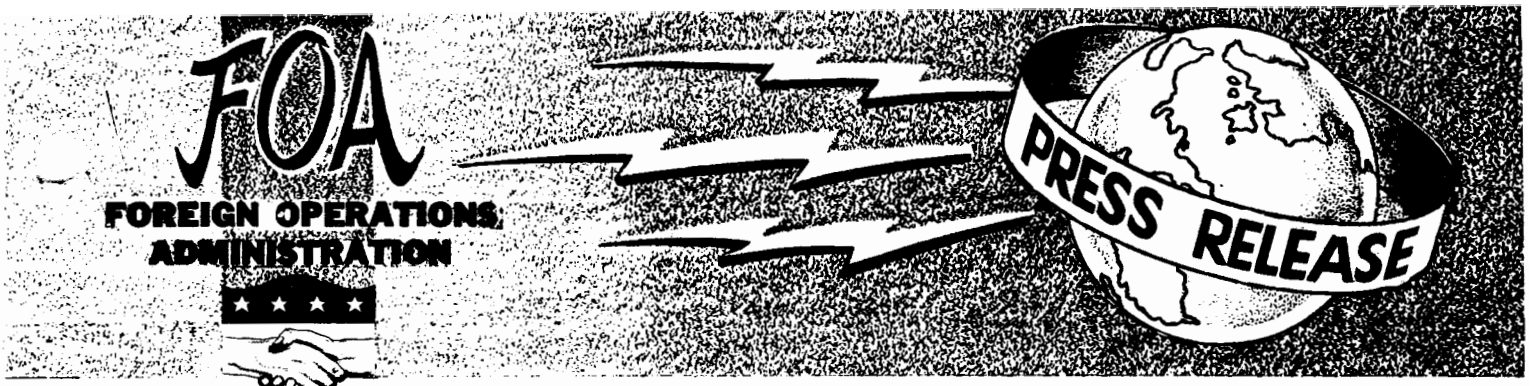

FOA No. 298

Barkley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release
Thursday, February 17, 1955

FOA-EGYPT SIGN
LOAN AGREEMENT

WASHINGTON -- FOA today announced the signing of a loan agreemwnt with Egypt establishing a credit of not to exceed $7.5 million which will be used principally for replacement of rolling stock in Egypt's railway improvement program.

The loan is part of the $40 million which it was announced earlier would be allocated to Egypt from this fiscal year's development assistance funds of the Foreign Operations Administration.

It is repayable over a period of 40 years at 4 percent interest. The loan may be repaid by Egypt either in dollars or Egyptian pounds which will be accepted by the U.S. in lieu of dollars at the effective exchange rate of the Egyptian pound on the date of repayment.

Should Egypt elect in the future to repay solely in U.S. currency, the agreement may be changed to call for a three percent interest charge.

The U.S. has agreed to take the economic position of Egypt into consideration in any expenditure of Egyptian pounds paid to the U.S. under the agreement.

The action accords with a legislative requirement (P.L. 665, Sec. 505) that of funds made available to FOA, including foreign currencies received from the sale of surplus agricultural commodities, at least the equivalent of $200 million in assistance to foreign countries must be in the form of loans.

The loan agreement with Egypt was signed by Egyptian Ambassador Ahmed Hussein and Major General Glen E. Edgerton, U.S. Army retired, Chairman of the Board of the Export-Import Bank of Washington. The Bank administers FOA assistance loans after they have been negotiated by FOA.

FOA is also negotiating similar loan agreements with other friendly foreign governments.

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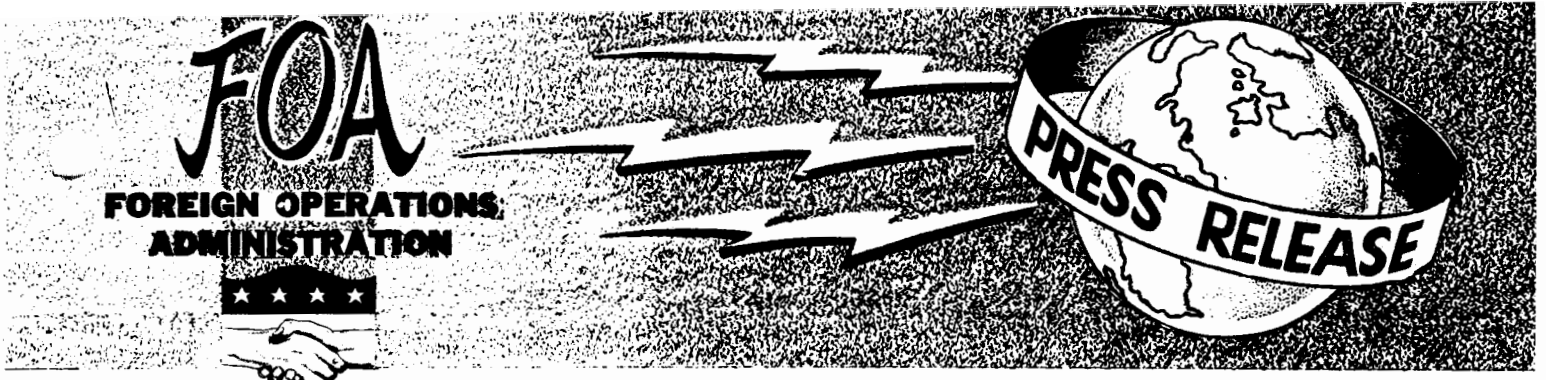

FOA No. 299

For Papers of Sunday,
February 20, 1955

Hughes
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

TECHNICAL COOPERATION FILM
NOW AVAILABLE FOR SHOWINGS

WASHINGTON -- A film showing U.S. technicians at work in underdeveloped nations around the globe is now available in 50 educational film libraries from coast to coast.

The 26½ minute, black and white, sound film, assembled for the Foreign Operations Administration from footage shot in Latin America, the Near East and Asia, is entitled "Report to the American People on Technical Cooperation."

The film shows Americans sharing their know-how in agriculture, health and education in such far-flung areas of the world as India, Indochina, Libya, Afghanistan, Ecuador, Indonesia, Paraguay and Ethiopia.

Also shown are foreign trainees in the United States learning skills in such fields as medical research, engineering and agriculture.

Included is an excerpt showing President Eisenhower delivering the speech in which he called for "a new kind of war.....a declared total war, not upon any human enemy but upon the brute forces of poverty and need. The monuments of this new kind of war would be these: roads and schools, hospitals and homes, food and health."

Prints of the film are readily available to TV stations, educational and civic organizations. labor groups, and others desiring to exhibit it. Requests should be addressed to Educational Film Library Association, 345 East 46th St. New York 17, New York.

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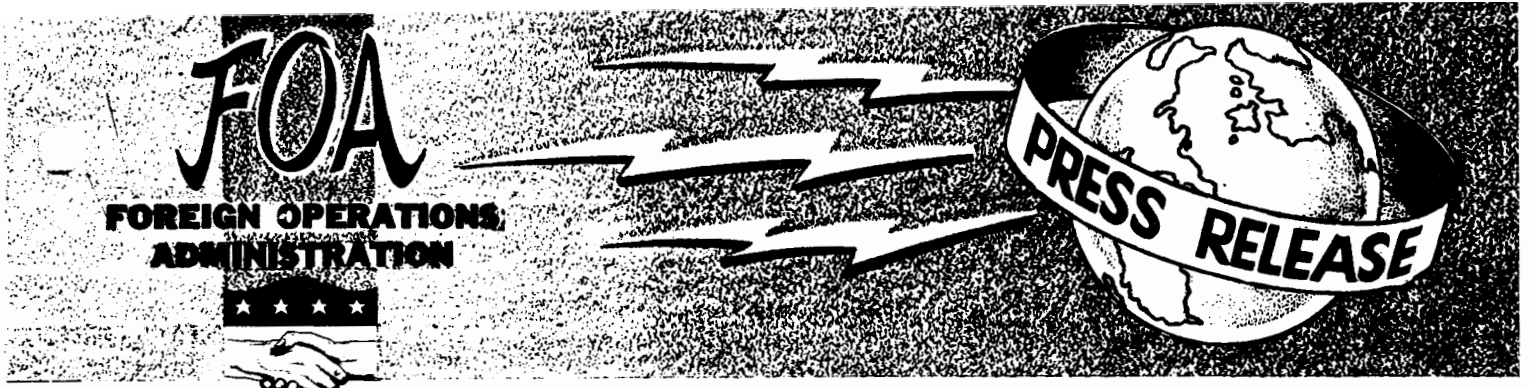

FOA No. 300

For Immediate Release
Thursday, February 17, 1955

Caldwell
Office of Public Reports
STerling 3-6400, Ext. 2627
Rm. 400, 806 Conn. Ave., N.W.

STASSEN TO LEAVE
ON FAR EAST TRIP

WASHINGTON -- The Director of the Foreign Operations Administration, Harold E. Stassen, will leave Washington from MATS terminal on Monday, February 21 for a trip to the Far East and South Asia in connection with the FOA programs in that area.

He will visit India, Pakistan, Ceylon, the Philippines, Korea and Japan.

Enroute he will stop at Bangkok and attend the final session of the Bangkok Conference.

In the course of this trip, Stassen will evaluate the progress of the technical, economic and other programs in the Far East and South Asia administered by FOA. Looking forward to the presentation to Congress for its consideration of the fiscal year 1956 mutual security programs, Stassen will consult with United States and host country officials on proposals for the coming year.

Stassen will be accompanied by officials from State, Treasury, Commerce and FOA.

He is expected to return to Washington about March 13.

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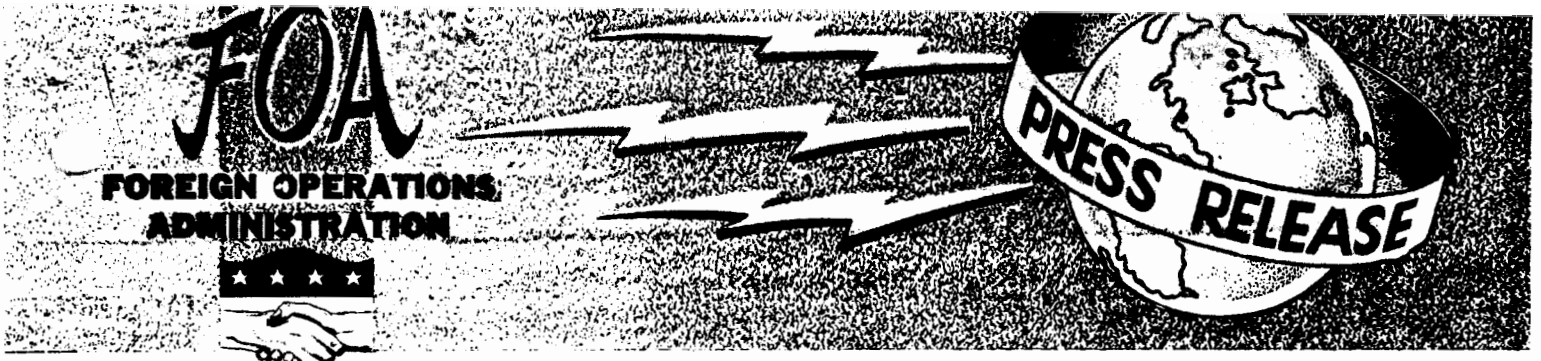

FOA No. 302

For Release A.M. Papers of
Tuesday, February 22, 1955

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

FOA GIVES MORE AID
FOR FORMOSA HARBOR

WASHINGTON -- FOA today announced that it will furnish $194,000 to help construct a 10,000-ton grain elevator at Keelung Harbor, Formosa's main port.

The project is part of a general harbor improvement plan which was started in 1952 and is scheduled for completion by the end of 1956.

The Chinese Government on Formosa has estimated its total financing on the harbor work will equal $5,000,000 in Chinese currency, about three-fifths of it provided as loans from the Chinese deposits in the FOA-China joint counterpart fund generated by the sale of FOA-financed imports. FOA's direct dollar aid for the general harbor plan is estimated at about $200,000. In addition, FOA has provided about $140,000 worth of cargo-handling equipment.

More than $3,000,000 equivalent in Chinese currency has already gone into breakwater construction, harbor dredging, wharf construction, warehouse construction, roads and other facilities in the port area.

FOA estimates that the grain elevator construction will save more than $675,000 a year through quicker unloading time, elimination of grain spillage losses, and lower port handling charges and bagging costs.

Besides the $194,000 which FOA will furnish for the grain silo construction, the Chinese Government is furnishing the equivalent of $262,000 from its own resources and $906,000 equivalent is being advanced from the FOA-generated counterpart funds, to be repaid over a number of years.

During calendar year 1954 a total of $65,714,860 worth of FOA-financed aid supplies, amounting to 378,136 metric tons, was delivered in Formosa. Wheat, flour and cereals amounted to about one-third of the tonnage.

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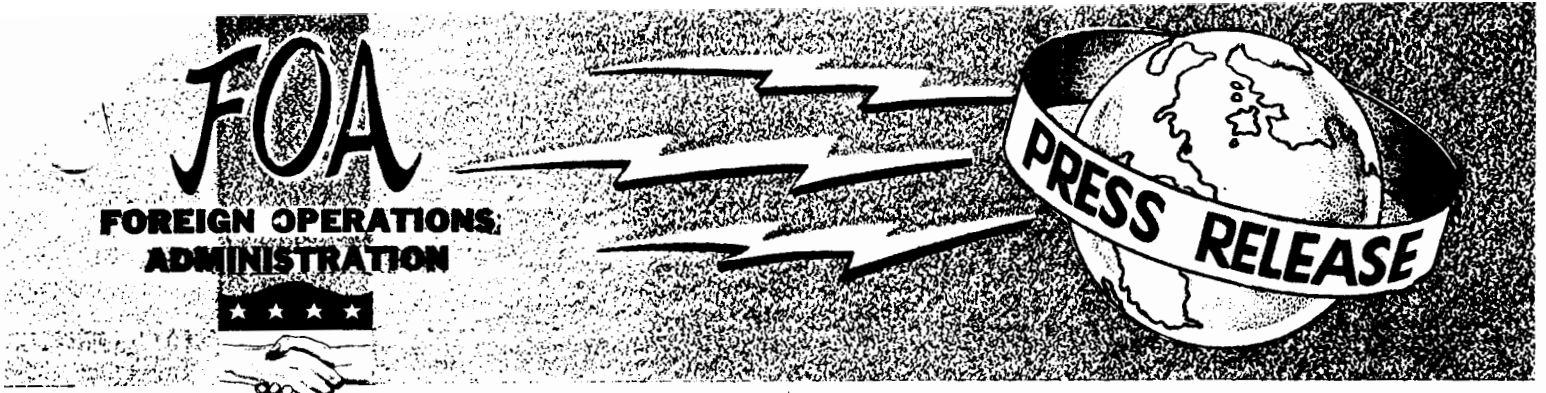

FOA No. 303

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

For Immediate Release
February 23, 1955
(Released Simultaneously in Djakarta)

FOA WILL MAKE AVAILABLE
$7 MILLION FOR INDONESIA

WASHINGTON -- FOA today announced that it is making available $7 million for technical cooperation in Indonesia this fiscal year. FOA's contribution last year to this joint program with Indonesia totalled $4 million, which was supplemented by the use of $1.9 million of carry-over funds.

The expanded 1955 program includes $1.3 million for a special malaria control project, and $5.7 million for technical cooperation in other fields.

Joint FOA-Indonesian aims are to increase food production, develop facilities to advance the living conditions of the people, improve public administration, and diversify the economy.

As in the past, major emphasis is on increasing the numbers of technically trained people in Indonesia, both by furnishing American experts to help in the development of Indonesian institutions and by making available to Indonesians training opportunities in the U.S. and other countries.

About three-quarters of the $5.7 million available for continuing activities will be used directly for these purposes, and the balance for instructional and demonstrational materials needed to make the projects effective.

Important continuing projects include the University of California's collaboration with the medical faculty of the University of Indonesia, and Tuskegee Institute's cooperation in developing the country's vocational education system.

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Also being continued are the services of American engineering advisers who have been working with the Indonesian Government on a variety of engineering problems, including improvement of railroads, harbors, and telephone and telegraph services and planning the effective use of the country's vast natural resources.

In addition to continuing the services of American technicians who have been helping since 1951 with Indonesia's research and testing of malaria control methods, FOA this year is contributing $1,300,000 in the special malaria project. This sum will finance the import of commodities needed to launch a long-range malaria eradication program to which the Indonesian Government has given a priority rating.

Malaria takes more Indonesian lives than any other disease. It afflicts an estimated 30,000,000 people -- 40 percent of the country's population. By reducing their ability to work, it has become a severe obstacle to economic and social progress.

Anti-malaria spraying operations conducted by American, United Nations and Indonesian technicians on 26 of the 3,000-odd islands have had remarkably effective results. In the Surabaya area of East Java, for example, where 18 out of every 100 babies were contracting malaria before they were a year old, no child of that age was found with the disease following a two-year control program.

FOA has provided the services of American malaria and public health experts during the last four years, and has financed insecticides, sprayers and other imported equipment for the initial work. A malariologist, an entomologist and a sanitary engineer are currently assigned to the Indonesian Government by FOA to assist with the operations. The control tests led the Indonesian Government to undertake a comprehensive program aimed at largely eliminating the disease over the next six years.

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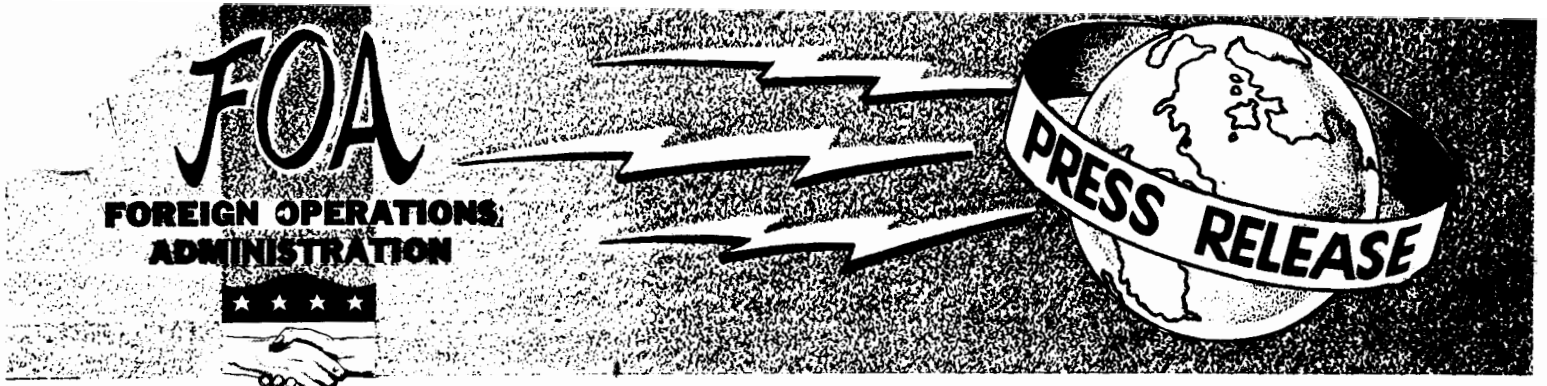

FOA No. 304
For Immediate Release
February 24, 1955
(Also Released in Cairo)

Barkley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

$23,337,000 ALLOTED TO EGYPT BY THE FOA

WASHINGTON -- FOA today announced the signing in Cairo of an agreement with the Government of Egypt allocating $23,337,000 of the $40,000,000 in American economic development assistance funds earmarked for Egypt for the current fiscal year.

Egypt will provide in cash, commodities and services the equivalent of $32,607,000 for the full completion of the programs for which U.S. funds have been allocated.

The U.S. funds were allocated for four major projects, including a $10,089,000 contribution toward construction by American engineers of a 62-mile stretch of road on the Cairo-Alexandria highway. Egypt will spend an additional $17,500,000 of its own funds on this project which also will provide a highway construction center and highway equipment pool.

Other projects provided for in the agreement between Egypt and the U.S. Foreign Operations Administration Mission to that country are:

Installation of a potable water supply system at Abou Homoss in the northern delta with a U.S. contribution of $7,488,000 for cast iron and cement asbestos pipes and valves, fittings and accessories. Egypt will provide $1,015,000 for contractual services to complete the project.

Improvement of the Port of Alexandria and Egypt's inland waterways with a U.S. contribution of $4,320,000 for the purchase of two harbor tugboats, two hopper barges, one dredger, and eight draglines (large power shovels with flexible cranes for dredging canals). The Egyptian Government has already allocated $11,500,000 for this long range program.

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A $1,440,000 U.S. contribution to be used to purchase equipment for a new machine work shops for the Ministry of Public Works, including equipment for a machine shop, a steel construction forge and welding shop, a tinsmith shop, an electric shop, foundry, marine shop, handling and transportation material, warehouse, office, plant services, floating dock and slipway, toolroom and certain scientific and professional instruments, apparatus and supplies. Egypt will furnish $2,592,000 for construction of new work house buildings and other facilities for the project.

Of the $40,000,000 in FOA funds earmarked for economic development assistance to Egypt, $7,500,000 is in the form of a loan to be used principally for replacement of railway rolling stock.

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FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE

FOA No. 305

For Release in Papers of
Sunday, February 27, 1955
(Similar story released in Quito)

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

FOA CONTINUES HEALTH PROGRAM IN ECUADOR

WASHINGTON, February 26 -- FOA today announced signing of an agreement with Ecuador to continue its cooperative health program there.

Under the program, begun in 1942 at the request of Ecuador, 28 hospitals have been built and equipped, malaria has been virtually eliminated in many areas, and the incidence of the dread disease, yaws, has been materially reduced.

The program in Ecuador is one of 38 in countries that have requested U.S. cooperation in improving the health of their people. To meet this appeal, FOA has 307 health technicians--133 in Latin America--working overseas.

The United States, through the Foreign Operations Administration, will grant $100,000 as its contribution to the Ecuadorean health program for the first six months of 1955. Ecuador will make about $232,000 available for the same period, which corresponds to the first half of its fiscal year.

With these funds cooperative programs in public health and sanitation, malaria and yaws-control will be continued, along with construction of water and sewer systems and assistance in the administration of hospitals, health centers, health education, and nurses' training.

The campaign against yaws - a highly contagious and mutilating skin disease - has been centered in the providence of Esmeraldas, adjacent to Colombia, an area of 7,500 square miles extending along the coastal region.

Dramatic success has been achieved.

At the beginning of the campaign nearly 12 percent of the area's population of 56,800 were afflicted with yaws.

After the fourth sweep of FOA health teams through the area, the incidence of yaws dropped to 1.4 percent, and the disease is no longer a major public health problem.

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During this same period the health servicio carried on an intensive malaria-control program with comparable success.

With these two threats to the health of the people removed, there was a 40-percent increase in population of the area--from 56,800 to over 80,000--largely as the result of immigration from other parts of Ecuador.

Under the program Ecuador's first school of nursing was established. The school is now entirely supported by the Government of Ecuador and is directed by a nurse who was trained in the United States. The school has two U.S. nurse consultants and is now supplying graduate nurses for the hospitals of Ecuador.

An active program of health education under the direction of U.S.-trained Ecuadorians is also being carried on. In one recent year more than 208,300 persons attended 1,100 health lectures and saw some 2,000 health films.

FOA has also sponsored cooperative programs in Ecuador in transportation, agriculture, education, and industry, mining, and labor. In the fiscal year that ended June 30, U.S. contributions to the programs of technical cooperation in Ecuador totaled $1,398,700.

President Eisenhower has described technical cooperation programs as "our most effective counter-measure to Soviet propaganda and the best method by which to create the political and social stability essential to lasting peace." Last June he advised the Congress that U.S. participation in such programs "must be vigorously advanced."

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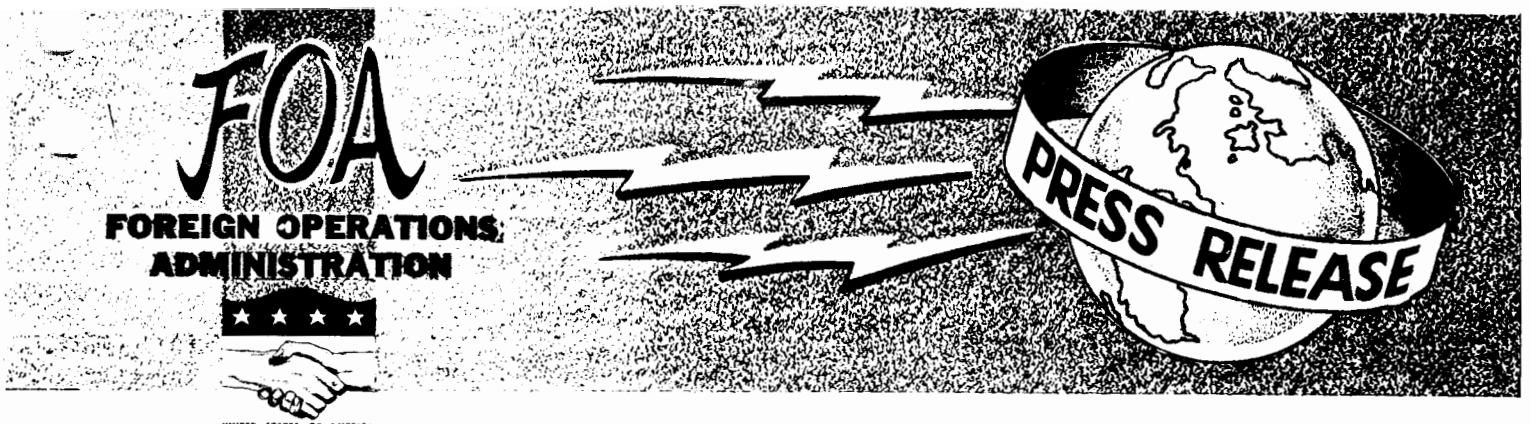

FOA No. 306

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

For Immediate Release
Tuesday, March 1, 1955
(Also Released in Bangkok)

FOA TO AID THAILAND
WITH HEALTH PROGRAM

WASHINGTON -- FOA today announced an agreement with the Thailand Government to continue a joint attack on a major Thai health problem - control of parasitic diseases.

An officer of the Ministry of Public Health will be sent to the U.S. for a year's training in advanced laboratory techniques and control measures. In-service training of Thai public health officers will continue in Thai medical schools. An American doctor provided by the Foreign Operations Administration will continue to work in Thailand as an adviser to the Ministry of Public Health in intestinal parasitic disease control.

FOA will use $20,000 of American funds for the technical cooperation project for fiscal 1955, and the Thai Government will contribute the equivalent of $125,000 in Thai currency, of which $83,000 will be taken from the joint U.S.-Thai counterpart fund.

Intestinal parasites cause much sickness in Thailand, which reduces living standards through loss of productivity. All levels of society are affected. It is estimated that as many as 60 percent of the Thai people suffer to some extent.

There are now six control teams at work throughout the Kingdom studying the incidence of parasitic diseases and initiating measures for their prevention and control. The work includes providing medicines to treat those now affected by disease and assisting in programs of public education to help people protect themselves against infection.

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FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE
UNITED STATES OF AMERICA
FOA No. 307

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

For Release in A.M. papers
of Wednesday, March 2, 1955
(Released also in Saigon)

PALMER NAMED DEPUTY CHIEF OF FOA MISSION IN VIETNAM

WASHINGTON, March 1 -- Gardner E. Palmer, Counselor of the United States Embassy to Vietnam, has been appointed Deputy Director of the Foreign Operations Administration's mission to that country, FOA announced today.

Palmer's dual role will facilitate handling of matters of concern both to the Embassy and Mission arising from the increase in the amount of assistance given directly to Vietnam by the United States, FOA said. Dealings with Vietnamese national institutions, such as the new national bank, also will be simplified.

Palmer will retain his position with the Embassy but will move, with the Embassy's entire economics section, into the FOA Mission headquarters.

Born in Detroit in 1903, Palmer was graduated from the University of Michigan in 1925. An investment banker in Detroit before he entered Government service in Washington with the Department of State in 1942, Palmer has served overseas in Santiago and Vienna. He was assigned to the Embassy post in Saigon about five months ago.

Leland Barrows, formerly Director of the FOA Mission to Greece, was sent to Saigon last fall to head the FOA Mission there.

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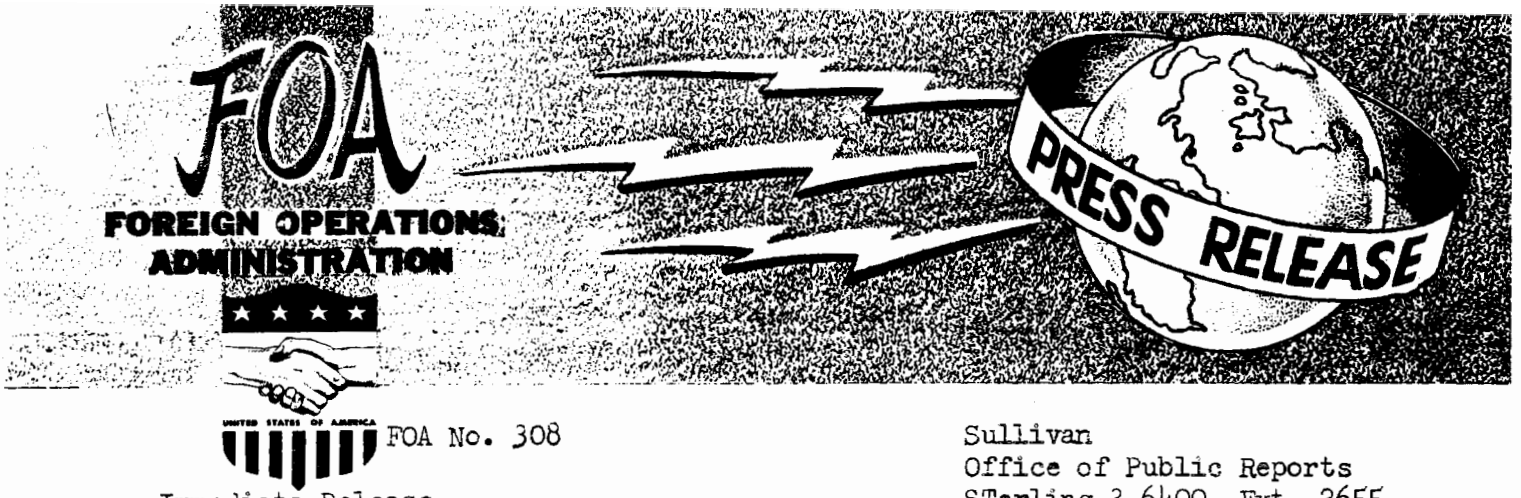

FOA No. 308

Immediate Release
Wednesday, March 2, 1955
(Also released in Copenhagen)

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

JANDREY APPOINTED
FOA CHIEF DENMARK

WASHINGTON, March 2 -- FOA Director Harold E. Stassen today announced the appointment of Frederick W. Jandrey as director of the FOA Mission to Denmark.

Jandrey, a Department of State foreign service officer, will serve in the dual capacity of deputy chief of the U.S. Embassy at Copenhagen, with the title of diplomatic counselor, and FOA Mission director. He succeeds another State Department official, John O. Bell, who is now on a special assignment with the Department of State in Washington.

Until recently Jandrey was deputy director of personnel for the State Department in Washington.

A graduate of the University of Wisconsin, Jandrey entered the State Department in 1931 as an appointment clerk in the American consulate at Southampton, England.

From 1931 to 1946 he served as vice consul there and at Calcutta, Naples, Brisbane, Perth, and Melbourne, and as consul at Melbourne and Naples. In 1949, after two years of Department duty in Washington, Jandrey was appointed first secretary and consul at Kabul, Afghanistan. He returned to Department duty in August 1951, and was appointed to the personnel post two years later.

U.S. economic objectives in Denmark are to help strengthen its industrial economy so that the country can support a defense program, meet its NATO obligations and maintain an adequate standard of living.

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A small technical exchange program fosters productivity in industry and improvement in management and marketing techniques. The program also encourages investment in Denmark by helping to create a favorable climate there for U.S. and other foreign investors.

Arrangements were recently concluded by FOA under which coal valued at $3.8 million and grains valued at $3.4 million will be sold to Denmark for local currency. The proceeds will be used primarily to pay for commodities to be supplied to underdeveloped areas under U.S. aid program.

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FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE

FOA No. 309

ADVANCE RELEASE for A.M. Papers
of Friday, March 4, 1955
(Also Released in Taipei)

Hughes
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

WESTINGHOUSE ELECTRIC INTERNATIONAL COMPANY
GETS INVESTMENT GUARANTIES ON FORMOSA PLANT

WASHINGTON, March 3 -- FOA announced today that investment guaranties totaling $4,021,920 have been given Westinghouse Electric International Company of New York in connection with an electric power plant furnished Taiwan Power Company, sole supplier of electric power on Formosa.

Taiwan Power Company Limited of Taipei, Taiwan, China, generates and sells electricity to industrial, agricultural, commercial and household users. As part of an extensive modernization and expansion program, the company has bought from Westinghouse a 40,000 kilowatt power plant, consisting of two 20,000 KW generating units, for use at Taiwan Power Company's Pei-pu Steam Station Extension.

Cost of the two units is approximately $5,040,000.

To protect its investment, which consists of a $1,881,600 loan to Taiwan Power toward meeting the cost of the power plant, Westinghouse has purchased from the Foreign Operations Administration guaranties of convertibility and against loss by expropriation or confiscation.

The convertibility guaranty, assuring Westinghouse that currency and exchange restrictions will not prevent the company's getting its money out, totals $2,140,320, including principal and quarterly interest payments aggregating $258,720.

The guaranty against loss because of expropriation or confiscation is in the face amount of $1,881,600.

- more -

Restoration or replacement of war-damaged electric power generation and transmission facilities and a need for expanded facilities to meet vastly increased demands have been among the major postwar problems of the government of the Republic of China. U.S. Government funds approximating $24 million have been committed by FOA and its predecessor agencies for power generation and transmission facilities, mainly for hydro-electric power development.

The Pei-pu Steam Station Extension project for which Westinghouse is supplying equipment will provide a useful source of steady power and a source for standby power during dry seasons when newly developed hydro-electric power stations are affected.

The Pei-pu project, toward which FOA has contributed $300,000 for the purchase of structural steel, is part of a five-year power development program involving 11 generating stations with a total capacity of 300,750 kilowatts.

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FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE
UNITED STATES OF AMERICA

FOA No. 310

Barkley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

For Papers of Sunday
March 6, 1955
(Similar Story Released
in Cairo)

FOA-EGYPT TO INCREASE
JOINT HEALTH PROGRAMS

WASHINGTON, March 5 -- FOA today announced the signing of agreements with Egypt expanding the program of the Egyptian-American Joint Committee for Public Health.

The agreements establish two new health projects and authorize the extension of three others which were started in previous years under the Foreign Operations Administration program of technical cooperation in Egypt.

FOA's contribution toward the cooperative projects will be $140,000 during the current fiscal year. The Government of Egypt will contribute money, staff and facilities to the amount of 76,375 Egyptian pounds, or the equivalent of about $220,000.

One of the new projects calls for improving the Egyptian system of vital and health statistics so the nation's basic health problems may be identified, planned and the results more accurately evaluated.

The second new project is designed to carry out plans to provide the Egyptian Ministry of Health with a sanitary engineering service with emphasis on pure water supply and general improvement of sanitation conditions. In support of this the project will provide for improved laboratory techniques for analyzing drinking water.

Projects being continued are the control of bilharziasis, a blood disease caused by a parasite which breeds in the waters in Egypt and Africa; a demonstration rural health development center, and the administration of the Egyptian-American Joint Committee for Public Health.

Under the bilharziasis control project, originated last year, about 107 miles of drains and canals have been treated with a chemical (sodium pentachlarepthenate) found to kill snails which carry the parasites.

This year the joint Egyptian-American project will work in a larger area,

- more -

applying the chemical to more than 1,000 miles of the Zummur Canal and drainage system. Further experimentation and development may give Egypt a valuable weapon in the fight to eradicate this serious disease which has so long been endemic to the country.

Such cooperative health projects in Egypt are but part of FOA's program of technical assistance to friendly but less developed countries which President Eisenhower has described as "our most effective counter-measure to Soviet propaganda and the best method by which to create the political and social stability essential to lasting peace."

The agreements with gypt also call for 14 Egyptian technicians to come to the U. S. for specialized training in connection with the projects. The U. S. will provide for the services of 10 American technicians to work in Egypt.

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List C (11)

M/PR - Wilson, R.
Rm. 400-M

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FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE

FOA No. 311

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2[illegible]
Rm. 409, 806 Conn. Ave., N.W.

FOA Immediate Release
Friday, March 4, 1955

CHICAGOAN TO HEAD FOA STUDY MISSION

WASHINGTON -- An evaluation group headed by a Chicago attorney leaves today to study the methods of operation, make-up, and accomplishments of the FOA Mission to Chile.

Thomas R. McMillen, partner in the Chicago law firm of Bell, Boyd, Marshall, and Lloyd, is leader of the group. Clinton L. Doggett of the Foreign Operations Administration's Washington evaluation staff is executive secretary.

Other members from the FOA Washington staff are Jacob Perlman, Office of Labor Affairs, and Robert L. Oshins, Methods Coordination Staff.

Use of evaluation reports on mutual security programs was initiated by FOA Director Harold E. Stassen soon after he took office. FOA's top management feels that periodic evaluations of country programs are essential to the successful conduct of the FOA program. The evaluation of the Mission in Chile is one of a series conducted by FOA.

The evaluation group will stay in Chile for about three weeks.

The technical cooperation program in Chile, which began in 1942 with projects in health and sanitation, has since been expanded to include activities in agriculture, housing, natural resources, public administration, and industry, trade and labor.

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FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE

FOA No. 312

ADVANCE RELEASE for Morning Papers
of Tuesday, March 8, 1955
(Also available in Athens)

Barkley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

FOA NAMES DAWSON TO GREEK MISSION

WASHINGTON, March 7 --FOA today announced the appointment of Harris P. Dawson Jr., as deputy director of the U.S. Operations Mission to Greece.

Now chief of the Greece and Turkey Division of the Foreign Operations Administration in Washington, Dawson is expected to assume his new post in April.

The appointment fills a vacancy in the Athens Mission which has existed since late last year, when the then director, Leland Barrows, was transferred to Vietnam and his deputy in Greece, Russell Drake, was named as his successor.

A native of Montgomery, Ala., Dawson was an international economist with the State Department from 1950 to 1953, when he joined the FOA staff.

Previously he had served as staff economist for the Joint Congressional Committee on the Economic Report (1949-50); chief statistician of the Joint Export-Import Agency with the American Military Government in Frankfort, Germany (1948-49); and as a regional director of the Atlanta, Ga. Office of the U.S. Bureau of Labor Statistics (1941-48).

Dawson was senior economist with the Special Heinz Mission to Pakistan in 1954. He is a member of the American Statistical Society, the National Office Management Association, and has published several articles on economic subjects.

He holds an A.B. degree in economics from Dartmouth College (1935), and an M.A. degree in the same subject from Amos Tuck School of Business Administration, Hanover, N.H. (1936). He also has taken special economics courses at Columbia University and New York University.

His wife, Mrs. Evelyn Parkes Dawson, a native of New York City, and their three children, Linda Barrow, 14; Harris P., III, 12, and Hallette C., 8, will accompany him to Greece.

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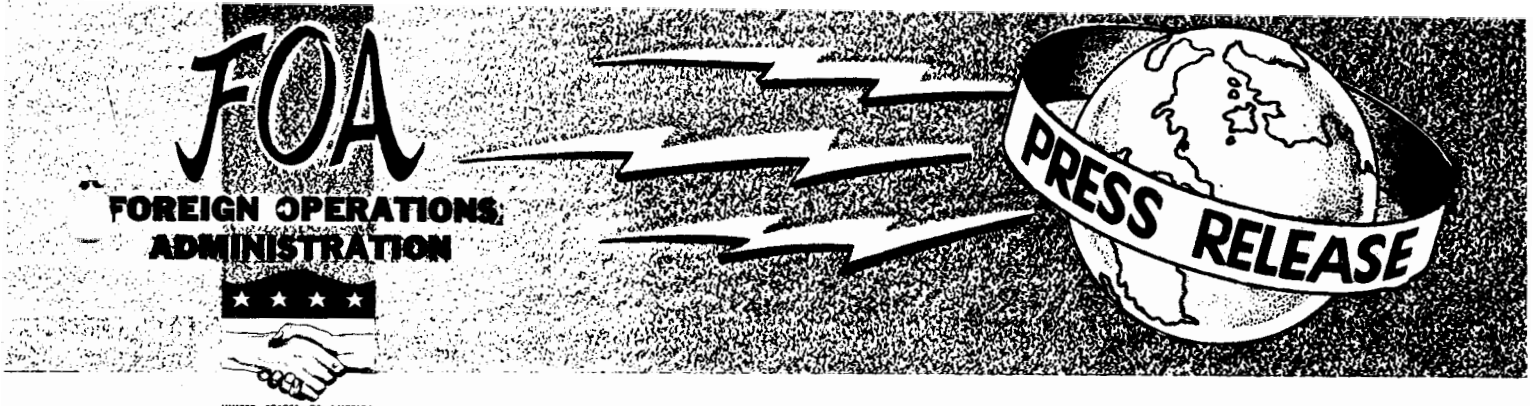
FOA
FOREIGN OPERATIONS ADMINISTRATION

PRESS RELEASE



FOA No. 313

For Immediate Release
Monday, March 7, 1955

Hughes
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

CHICAGO PAINT FIRM
GETS FOA GUARANTEE

WASHINGTON -- An FOA investment guarantee issued to a Chicago firm will lead to the first manufacture in France of latex emulsion (cold water) paint, FOA announced today.

The insured firm is Armstrong Paint & Varnish Works. Among the company's important products is latex emulsion paint, a comparatively new product employing a latex base to produce a paint which can be thinned with water.

Armstrong has entered into a licensing agreement with two French firms - Societe Novemail, S. A., Seine, and its subsidiary, Compagnie des Vernis de Bonneuil, S.A., Paris - under which Armstrong will furnish formulas, manufacturing know-how, sources of needed raw materials, and other information which will equip the French concerns to manufacture latex emulsion paint.

In return, the French licensees will pay Armstrong a royalty on sales in the French market and abroad, during the life of the agreement.

For a fee similar to an insurance premium, Armstrong has obtained from the Foreign Operations Administration a guaranty of convertibility into dollars of franc royalties up to a maximum of $12,000 over a period of five years.

Although this newest project is being started on a modest scale, FOA said, it promises to make a considerable contribution to the domestic French paint industry, and may eventually lead to the development of a sizable export market. This would give France an additional source of foreign exchange, and would give countries importing from France a non-dollar source for latex emulsion paints.

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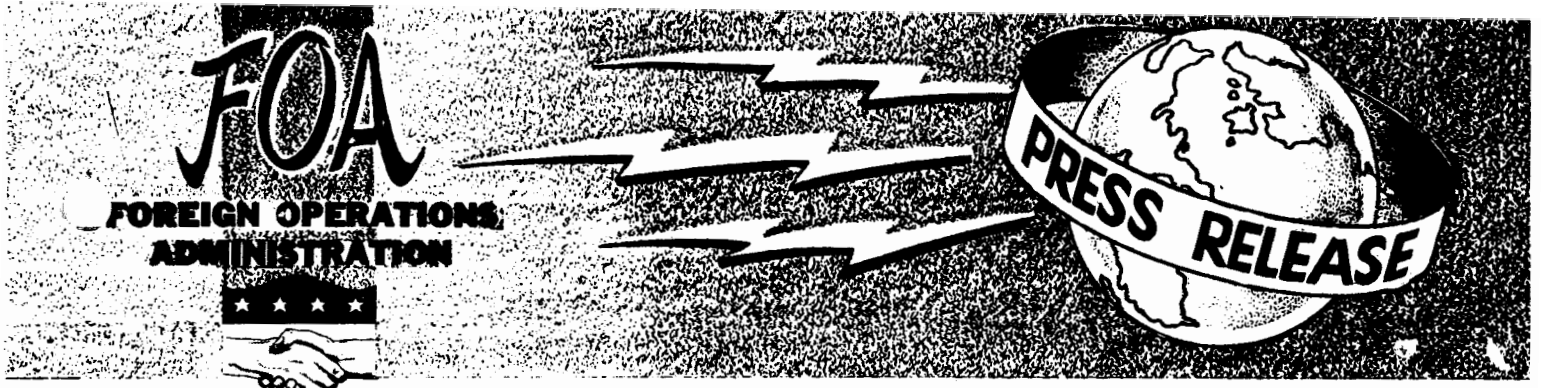

FOA No. 315

For Release in A.M. Papers of
Wednesday, March 9, 1955

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

FOA TO AID THAILAND
WITH HEALTH PROGRAM

WASHINGTON, March 8 -- FOA announced today that it will provide $183,000 from fiscal 1955 funds to help expand Thailand's rural health program.

The Government of Thailand is providing the equivalent of $850,000 in its own currency for the program which is designed to raise the health standards of people throughout rural Thailand, with emphasis on the prevention of disease. The program includes improvement of the 720 rural health centers throughout the Kingdom, and training of 11 Thai public health officers and an administrative assistant in the U.S.

Rural health centers provide inoculations and medicines, give care to mothers and babies, and carry out health education activities. Provincial health officers are being given a larger share of responsibility in planning their work to meet local problems.

The Foreign Operations Administration will provide textbooks and scientific instruments, electric generators for centers in remote areas, and certain other equipment to complete the equipping of the rural health centers.

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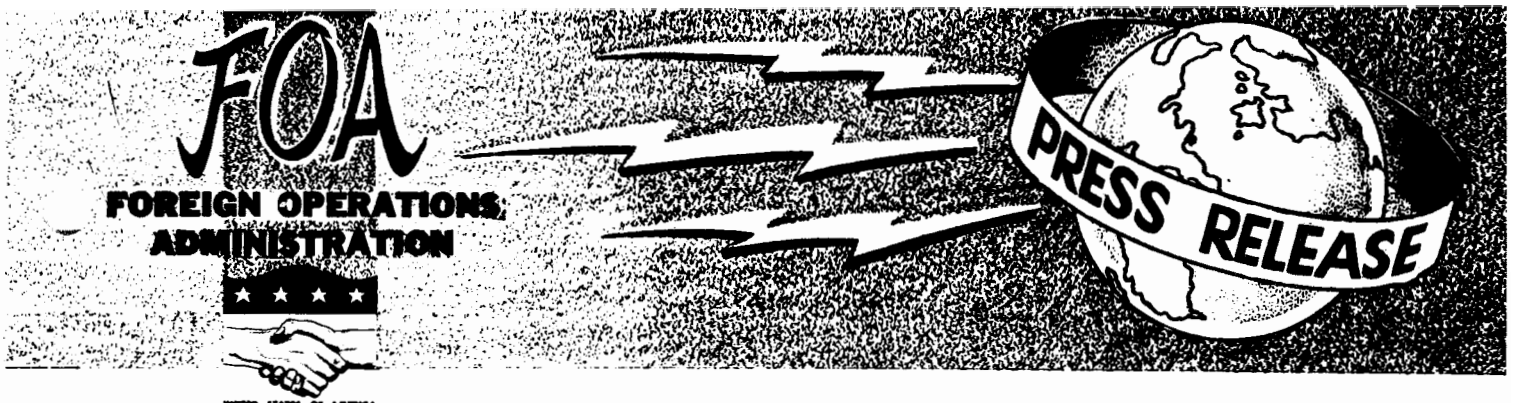

FOA No. 316

For Release in A.M. Papers
of Thursday, March 10, 1955

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

$100 MILLION SET BY FOA
FOR 3 INDOCHINA NATIONS

WASHINGTON, March 9 -- FOA today announced that a $100 million program of economic and technical assistance for Vietnam, Cambodia and Laos has been approved for the year ending June 30, 1955.

The program includes $45 million for "Operation Exodus" - the evacuation and resettlement of more than half a million refugees from Communist-controlled northern Viet Nam -- and $55 million to strengthen the economies of the three countries and assist them in withstanding continuing Communist pressure.

Emphasis is on resettlement of refugees, the improvement of agriculture, education, health, and sanitation, public administration, and public information services, and development of transportation and communication facilities, industry and natural resources.

Specific projects are being developed on an expanded basis through recently established separate FOA missions in each country. The programs for the three States, prior to last November, had been carried out through the FOA mission in Saigon.

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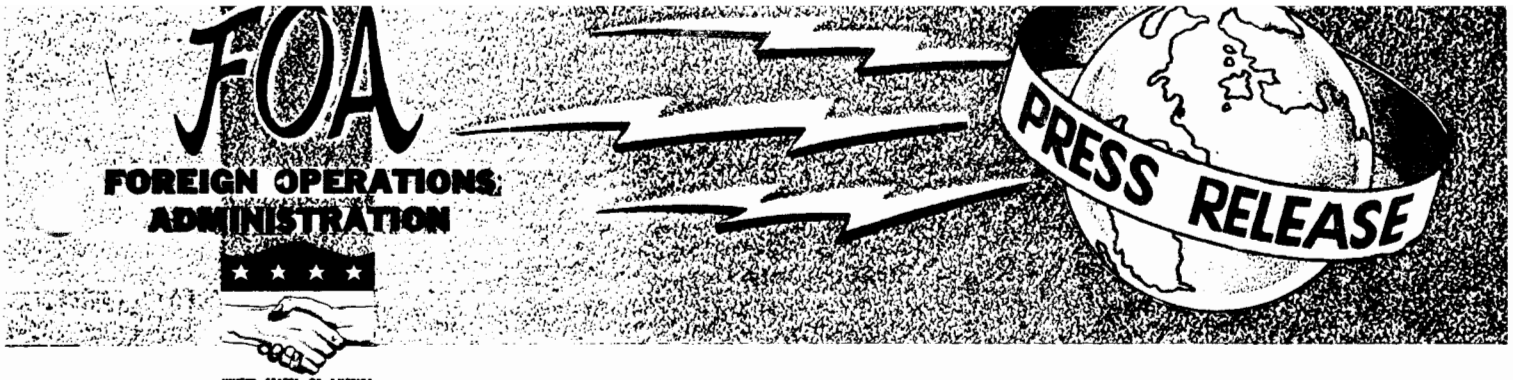

FOA No. 317

For Immediate Release

Sullivan
Office of Public Reports
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Rm. 409, 806 Conn. Ave., NW

"BRAZILIAN TECHNICAL STUDIES"
AVAILABLE AT DOCUMENTS CENTER

WASHINGTON, March 10 -- "Brazilian Technical Studies," a 425-page supplement to the report released last December by the Joint Brazil-United States Economic Development Commission, is now available through the Superintendent of Documents, the Foreign Operations Administration announced today.

The December report, "The Development of Brazil", outlined an extensive investment program that would help bolster the country's economy through 42 priority projects in those fields in which the Brazilian and United States technical advisers of the Joint Commission made exhaustive studies.

The supplement is a compilation of these studies on Brazilian transportation, power, industry and agriculture, and is divided into three categories:

Transportation: "The Panorama of Brazilian Railway Transportation", by Ruben E. de Freitas Abreu, engineer of the Brazilian Ministry of Transport and Public Works; "Brazilian Railway Operations", by H. Dale Barber, chairman of the Subcommission on railroads and formerly operating vice president of the Erie Railroad; "The Improvement of the Railways of Brazil", by Ralph Budd, former president and director of the Great Northern Railway; "Brazil's Coastwise Shipping", a subcommission report; "The Port Dredging Program", a subcommission report which includes a description of principal Brazilian ports.

"Comments on Port Operations" by Harry R. Brinkman, U.S. port operations consultant; "Development of Inland Waterways" and "The Parana-Tiete Inland Waterway System" by Robert M. Warren, U.S. consultant; and "Comments on the Brazilian Highway Problem" by Galyn G. Wilkins of the Bureau of Public Roads, U.S. Department of Commerce.

Power: "Electric Energy in Brazil", by Lucas Lopes, a technical affairs adviser and now Brazilian Minister of Transportation.

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Industry and Agriculture: "The Metallurgical Industry of Brazil" (including comments on the mining industry), by Robert F. Mehl, head of the Department of Metallurgical Engineering, Carnegie Institute of Technology; "Notes on Brazilian Industrialization" by J. Kirke Paulding, U.S. adviser; "Possibilities of Establishing a Brazilian Shipbuilding Industry," a subcommission report; "Grain Storage Needs in Brazil" (with particular reference to the States of Parana and Santa Catarina), by J. K. Dunn; "Grain Storage for the State of Rio Grande do Sul", a subcommission report; and "Warehousing and Other Factors Influencing Food Production in Certain Sections of the States of Minas Gerais and Goias", another subcommission report.

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List C (11)

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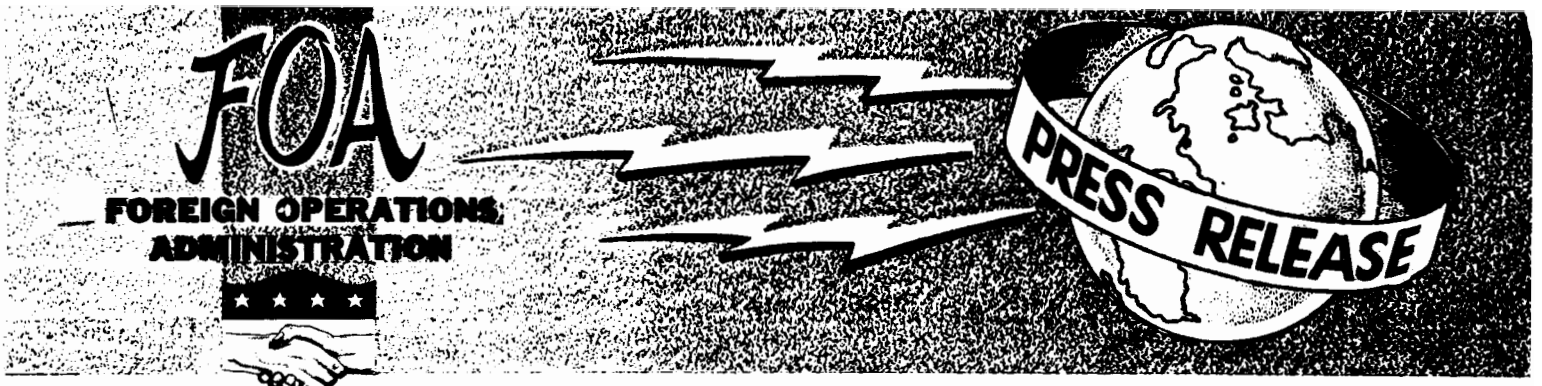

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For Immediate Release
Thursday, March 10, 1955

FOA CHIEFS FROM LATIN AMERICA
TO HOLD FIVE-DAY MEETING HERE

WASHINGTON -- Directors of FOA Missions to 21 Latin American countries will report on progress of technical cooperation programs at a five-day regional meeting starting here Monday.

The meeting will enable FOA Washington officials to get first-hand information from the directors and to advise field personnel of current operating policies, the Foreign Operations Administration said.

Harold E. Stassen, Director of Foreign Operations, and other key FOA officials directly concerned with Latin American operations, will attend. Marion N. Hardesty is acting Latin America regional director.

The United States has been carrying on technical cooperation programs in 19 Latin American republics since 1942 and more recently with the dependent overseas territories of British Guiana and Surinam (Dutch).

The FOA has made $26 million available this fiscal year to finance projects which are carried out on a joint basis with the 21 countries. The projects, in agriculture, education, health, housing, public administration, transportation, and natural resources, are designed to increase the standard of living in the various countries by training Latin American technicians so that they may eventually take over the activities of the joint programs.

U.S. Operations Missions to the following countries will be represented at the regional meeting: Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, Venezuela, British Guiana, and Surinam.

Similar conferences with FOA country directors in other regions have been held in the past. Last year's Latin American meeting was held in Lima, Peru.

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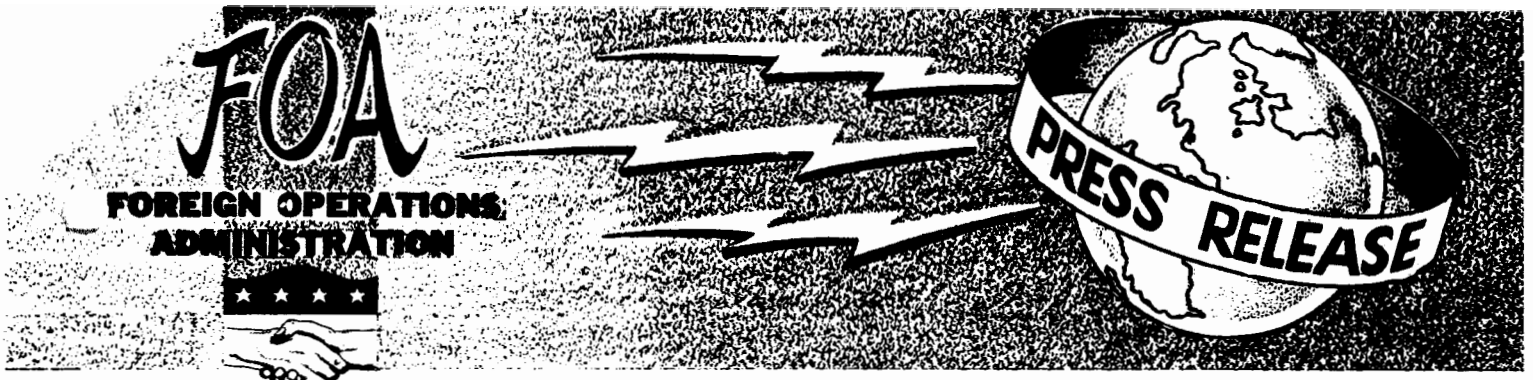

FOA No. 319

ADVANCE RELEASE for A.M. Papers of
Monday, March 14, 1955
(Also Released in Addis Ababa and Tripoli)

Barkley
Office of Public Reports
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GORDON IS APPOINTED
FOA'S HEAD IN LIBYA

WASHINGTON, March 13 -- FOA Director Harold E. Stassen today announced the appointment of Marcus J. Gordon, director of the U.S. Operations Mission to Ethiopia since April 1952, as director of the Mission to Libya.

Gordon, now in the U.S., is expected to arrive in Libya on March 22. He succeeds Glenn H. Easton, recently transferred to the Foreign Operations Administration office in Washington.

No successor to Gordon has yet been named for Ethiopia where Albert C. Slaughter, assistant director, is serving as acting director.

FOA programs in Ethiopia include technical cooperation work in agriculture, education, natural resources, health, sanitation, industry and public administration.

One of the outstanding projects is the agricultural program under which FOA has contracted with Oklahoma A. and M. College to carry on a program of agricultural research and education. One group of Oklahoma A. and M. technicians is developing a national agricultural and mechanical arts college.

Emperor Haile Selassie I visited the Oklahoma A. and M. campus last year to express appreciation for what the institution was doing for his country.

As in Ethiopia, the FOA program in Libya emphasizes agriculture, health, sanitation, education and development of natural resources. Libya is one of the world's newest independent nations, having been created as a result of a United Nations decision in December 1951 after 30 years as an Italian colony and ten years of British-French administration.

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Gordon, a native of Moorehead, Minn., was educated at State Teachers College there and the University of Minnesota. He started his career as a junior high school principal and later became a research assistant for the League of Minnesota Municipalities in Minneapolis.

From 1938 to 1944 he was with the U.S. Department of Agriculture, serving as a research assistant; as assistant regional director, Agricultural Marketing Administration, Milwaukee, and as an assistant deputy, Food Distribution Administration.

He was a lieutenant in the U.S. Navy from 1944 to 1946, and upon his return to civilian life went back to U.S.D.A. as a division chief, Production and Marketing Administration. In 1947 he transferred to the U.S. Department of State and served at the American Embassy, Madrid, Spain, for two years, after which he was chief of the Organization Division, Department of State. When the technical cooperation program was organized he served as executive director of the TCA until his assignment to Ethiopia.

He and his wife, Mrs. Henrietta Gordon, have three sons, Paul D., 12; Andrew J., 11; and Jeffrey, 4.

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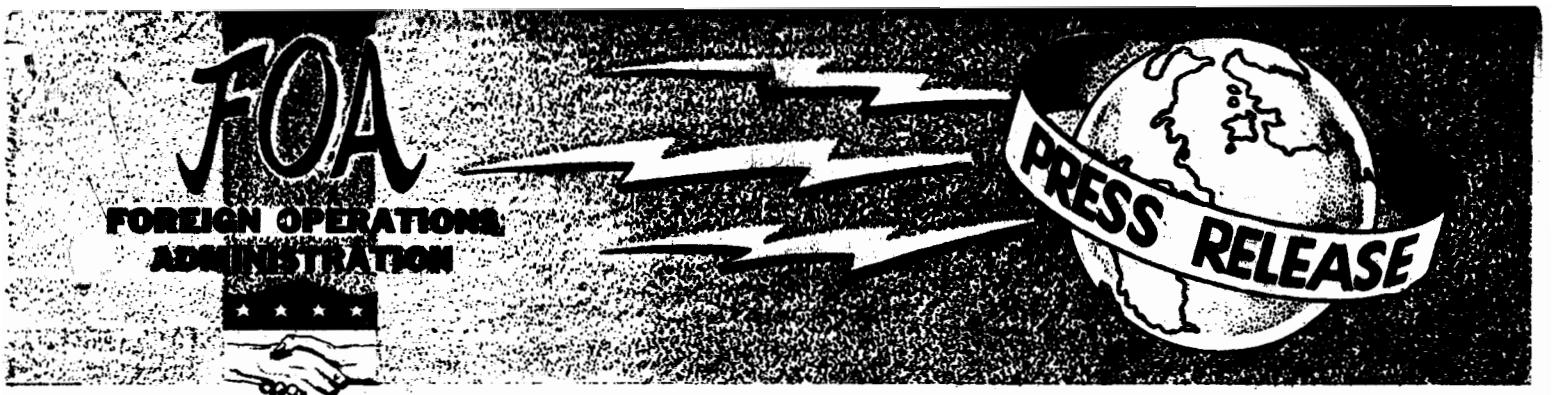

FOA No. 320

Wilson
Office of Public Reports
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HOLD FOR RELEASE HOLD FOR RELEASE HOLD FOR RELEASE

The following press release concerning the report to Congress on the Mutual Security Program MUST BE HELD IN STRICT CONFIDENCE until the report has been presented to the Senate or the House of Representatives. This will probably be on Monday, March 14. Advance copies of the complete report are available to members of the working press.

PRESIDENT REPORTS SHIFT TO FAR EAST
IN EMPHASIS OF MUTUAL SECURITY PROGRAM

WASHINGTON -- The U.S. Mutual Security Program has further shifted its emphasis from Europe, now recovered from the ravages of World War II, to the economically less-advanced areas of the free world, particularly Asia.

President Eisenhower advised Congress of this today in his semi-annual report on the MSP, covering operations for the six-month period ended December 31, 1954.

The President's report said that "the underdeveloped countries hold the bulk of the world's population, occupy the largest part of its land area, constitute the major source of its key minerals and raw materials, and contain many of its most valuable military bases.

"It is not difficult to perceive, therefore, why it is in our interest to be deeply concerned with the stability of these countries, their rate of economic growth, their ability to meet the enlarged requirements of their people, and the success of their present efforts to strengthen themselves and move forward in freedom by the democratic processes appropriate to their own society."

The report cited the fact that during 1954 the Soviet bloc raised to 120 the total of trade agreements with free world nations, and noted that

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"specific offers of Soviet technical and capital assistance in industry and agriculture have been forthcoming in growing number."

In addition to vast supplies of military aid provided free world partners, the report says that at the end of 1954, the U.S. was joined in technical cooperation programs with 15 countries and 11 territories in the Near East, South Asia and Africa; 19 countries and 9 territories in Latin America; and 9 countries in the Far East.

"The concept of technical cooperation, in a relatively short span of years, has been given practical application in nearly every part of the globe," the report says, and it says that throughout the free world "farmers, villagers, and factory workers have directly experienced material benefits in terms of more food, improved health and housing, more productive techniques and better educated children."

FOA has about 1,750 technicians in the field and "more foreign nationals have been brought to this country for training programs which permit first-hand study and observation of American technology and principles," the report adds.

The report stated that there has been a sharp drop in new funds for the Mutual Security Program, due mostly to Western Europe's economic recovery. For the fiscal year ending June 30, 1955, Congress appropriated $2.8 billion. This is nearly $2 billion less than the new funds appropriated for the previous fiscal year and some $4.5 billion - or 62 percent - less than the appropriation for the fiscal year 1952.

Highlights of the report include:

The Far East -- (1) Existing security pacts with Australia, New Zealand, Philippines, and Japan were augmented by final exchange of ratifications on the Mutual Defense Treaty with Korea; (2) conclusion of a defense treaty with the Formosa government; (3) new arrangements under the Southeast Asia Collective Defense Treaty; (4) $1.9 billion worth of military material has been shipped to the area; (5) $555 million in MSP funds has been programmed for FY 1955 for other than military assistance and direct forces support in the area, including up to $280 million for non-military aid to Korea and about $110 million for non-military aid to Formosa; (6) an Operations Mission was set up in Japan; (7) a half million refugees from Communist northern Indochina were evacuated south to free Vietnam.

The Near East, Africa and South Asia -- (1) Settlement of Iran's oil program "removed the greatest single bar to the country's economic recovery"; (2) Signing of the Suez Pact by the United Kingdom and Egypt "created a more tranquil atmosphere in which the plans of the Egyptian Government for internal improvement could proceed with greater vigor"; (3) about $383 million, exclusive of military assistance and direct forces support, was programmed for FY 1955 use in the area; (4) cumulative military aid shipments reached $1.1 billion; (5) Libya approved a military base agreement with the U.S.; (6) Pakistan has undertaken a larger military effort; (7) India's

- more -

development program "is moving to accomplish a series of objectives which reach into virtually every sector of the country's economy."

Europe -- The largest reductions in mutual security aid for the year were made in Europe, where further economic progress during 1954 was marked by a 4 percent rise in the gross national product and per capita consumption, and industrial production hit new records. For FY 1955 only about 25 percent of new MSA funds were earmarked for Europe, with most of these used for weapons and equipment for NATO forces. European members of NATO (excluding Greece and Turkey) were maintaining their own defense spending at an annual rate of about $11 billion or twice the pre-Korea level.

Latin America -- (1) The Rio conference of November, 1954 "gave promise of a better understanding of the means for increased cooperation between the U.S. and Latin America; (2) For FY 1955, about $25 million was set aside for technical cooperation projects in 19 Latin American countries, and over $13 million was scheduled for development assistance projects, mainly in Guatemala and Bolivia.

Global Military Shipments -- In all regions, U.S. shipments of military equipment "have expanded substantially the defense capabilities of the many nations with which the U.S. has concluded military assistance agreements." Including shipments valued at $1.1 billion in the second half of 1954, the total value of military grant aid shipments from October, 1949 through December 31, 1954 was $10.5 billion. Major items delivered included: 146,644 electronics and communications items; 206,836 motor transport vehicles; 36,714 tanks and combat vehicles; 36,538 artillery pieces; 50 million rounds of artillery ammunition; 868 Navy vessels; 6,416 aircraft; more than 2.2 million small arms and machine guns with about 1.6 billion rounds of ammunition.

U.S. Food Surpluses -- The report says "FOA is carrying forward a number of important operations which bear directly on the constructive use overseas of United States surplus agricultural commodities." Through December 31, 1954, FOA authorized sales of $103 million worth of surplus commodities, such as grains, cotton, frozen beef, canned milk, and is negotiating for additional sales expected to reach a total of $350 million by June 30, 1955.

Through December 31, FOA authorized the transfer of $68 million worth of food and feedstuffs for disaster and other relief purposes in Europe, Latin America, South Asia and Africa.

Other FOA Programs -- By December 31, some 24,000 escapees from behind the Iron Curtain in Europe and the Far East had been resettled in free world countries.

Insurance totaling $48.5 million had been issued to private American investors covering 69 investments overseas, in order to encourage "the flow of American private investment abroad into projects which will further the purposes of the mutual security program."

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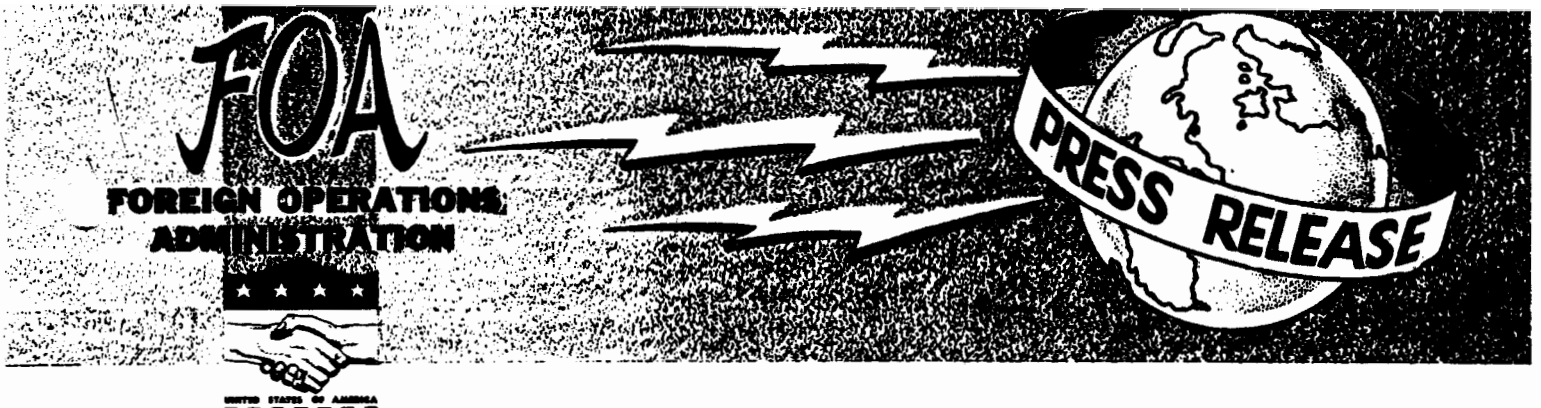

FOA No. 321

ADVANCE RELEASE for A.M. Papers of
Monday, March 14, 1955
(Similar Announcement Being Made
Simultaneously in Taipei)

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

$48 MILLION ALLOTED BY FOA FOR FORMOSA

WASHINGTON, March 13 -- FOA today announced a new allocation of $48 million to the Republic of China on Formosa, bringing the year's total to $138 million.

The new allocation was made available by the President, on Congressional recommendation, from funds appropriated under Section 121 of the Mutual Security Act "for the support of the forces of nations in the area of Southeast Asia."

The $138 million program includes about $3 million for technical cooperation, with the balance to be used for defense support (to enable the economy to support its defense effort) and direct forces support (commodities for use by military forces which are not military end-items).

Assistance to Formosa last year totaled $111 million for these forms of aid, and has averaged about $100 million a year since 1951. These figures do not include military end-items furnished by the Department of Defense with Mutual Security funds.

The program administered by the Foreign Operations Administration supports the Chinese military effort through dollar imports and the counterpart financing of defense projects under U.S. military supervision. It also helps Free China to maintain social and economic stability; to strengthen its position through improved public administration, economic planning, education and living standards; and to increase its capacity for self-support through capital goods imports and the investment of counterpart for economic development.

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About two-thirds of FOA aid is supplied in the form of saleable commodities which are necessary to maintain the island's economic life. These goods are purchased with local currency by businessmen and consumers, with the purchase amount going into a counterpart fund. Under joint Chinese-American supervision, local currency costs for construction and other military and civilian projects are drawn from this fund. Thus FOA aid stimulates enterprise and sound price structure; furnishes necessary materials not otherwise available, and generates counterpart to finance essential programs.

Another means through which U.S. objectives are being reached is by providing the technical services of American experts skilled in such fields as public health, sanitation, commercial fishing, forestry, plant and animal industry, electric power, mining, geology, textiles, chemicals, civil and electrical and mechanical engineering, oil refining, and the sugar and paper industries.

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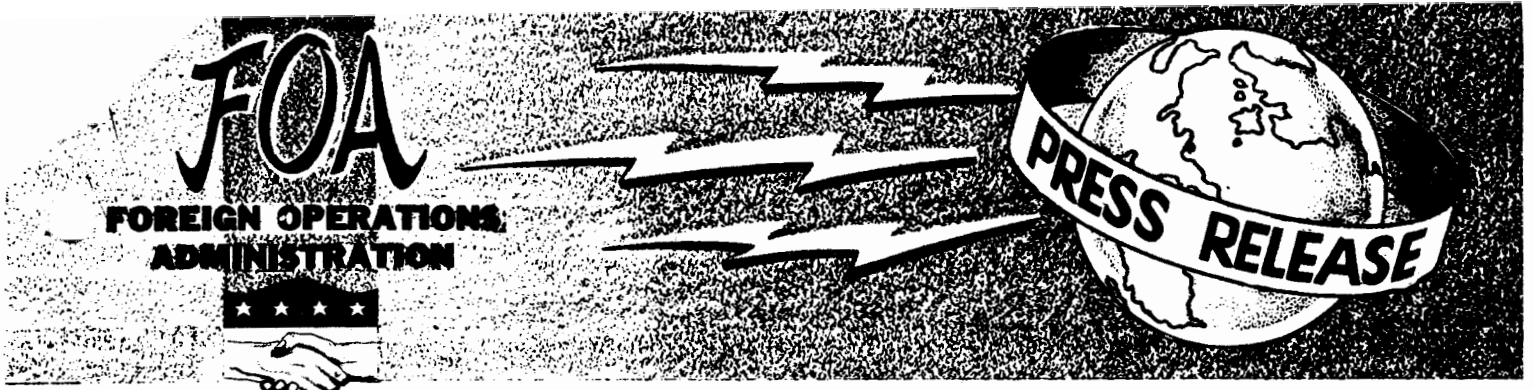

FOA No. 322

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release
Monday, March 14, 1955

STASSEN NAMES WALLING
FOA CHIEF IN CAMBODIA

WASHINGTON -- FOA Director Harold E. Stassen today announced that Lewis Metcalfe Walling, a New York and Rhode Island attorney, has been appointed the first director of the newly-established Foreign Operations Administration Mission to Cambodia.

He is expected to leave for Phnom Penh, the Cambodian capital, early in April.

Walling will direct FOA's program of economic and technical assistance in Cambodia. The new FOA Mission already has started work with Cambodian officials on plans for intensified economic and technical cooperation activities in transportation, agriculture, natural resources, public health, public administration, education and industry.

American aid programs for the three Associated States of Indochina -- Cambodia, Laos and Vietnam -- were conducted from FOA's mission in Saigon, Vietnam, until the States acquired independent status last November. FOA in January established separate missions in each country and has begun to channel assistance directly to each country.

Walling, a native of North Smithfield, Rhode Island, has been affiliated since 1948 with the New York law firm of Eidlitz, French, Fink & Markle. His residence is at Pound Ridge, N. Y.

In the 1930s Walling was labor compliance officer and legal adviser for the National Recovery Administration in Rhode Island. He was Director of the Rhode Island Department of Labor from 1935 to 1937, and for the next 10 years was administrator of the Walsh-Healy Public Contracts Act for the U.S. Department of Labor. From 1942 to 1947 he also administered the Fair Labor Standards Act, U. S. Department of Labor. He was a Special Assistant to President of the General Electric Company, for a period in 1947-48.

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Walling served for a year, in 1951-52, as technical adviser to the Guatemala Government on labor affairs, under auspices of the International Labor Organization of the United Nations.

He received the A.B. degree from Brown University in 1930, and the LL.B. from Harvard University in 1933. He attended Phillips Academy, Andover, Mass., in 1925-26 and was a student at the University of Nancy and at the Sorbonne, in Paris, France in 1928-29. He is a member of Phi Beta Kappa.

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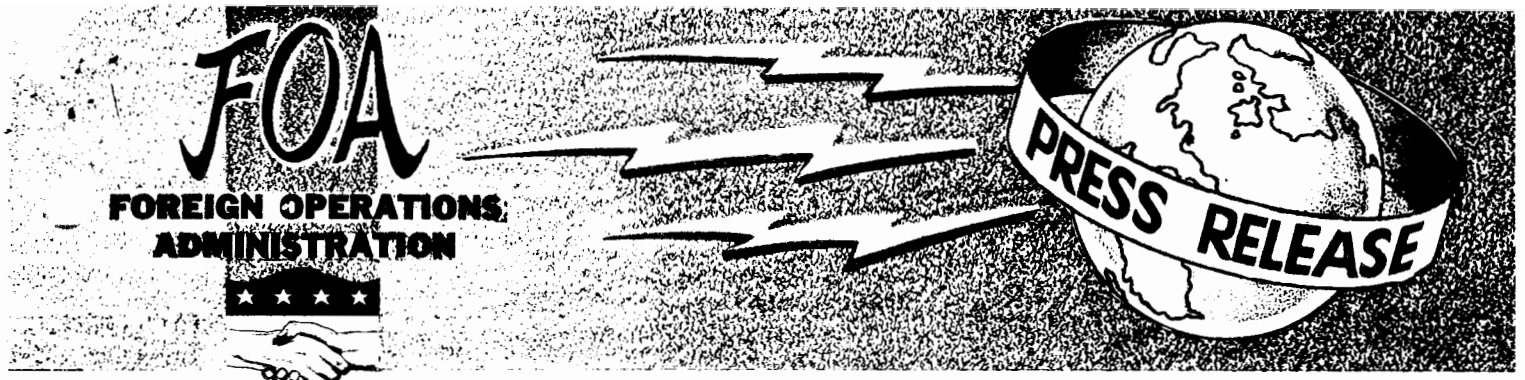

FOA NO. 323

For Immediate Release

Caldwell
Office of Public Reports
STerling 3-6400, Ext. 2627
Rm. 400, 806 Conn. Ave., NW

NOTE TO CORRESPONDENTS: Below is a letter sent by Dr. D. A. FitzGerald, Deputy Director of Operations, FOA, to Mr. James F. Connaughton, of Baldwin-Lima-Hamilton Corporation. This letter is in reply to Mr. Connaughton's telegram to Dr. FitzGerald, simultaneously released to the press, concerning the purchase of 14 diesel locomotives in the U.S. by the Spanish Government, also replies in essence, to the points raised by Baldwin's paid advertisement in the WASHINGTON STAR of March 14.

Mr. James F. Connaughton
Vice President
Baldwin-Lima-Hamilton Corporation
Eddystone Division
Philadelphia 42, Pennsylvania

Dear Mr. Connaughton:

This is in reply to your telegram of March 8, addressed to me and simultaneously released to the Press.

1. You stated "FOA decides Spanish locomotive award going to higher bidder." The correct facts, as explained in our meeting of March 3, are: FOA policy is that purchase of commodities financed by FOA be made by the cooperating country through its own agencies or its own commercial importers. This policy is in accordance with historical Congressional mandate that the Administrators of Mutual Security programs utilize private channels of trade to maximum extent practicable. In line with this policy, FOA has authorized the Spanish Government to effect procurement of commodities and equipment, including locomotives. The Spanish Government signs appropriate contract and has full responsibility for making awards. In our view, this procedure provides maximum recognition of Spanish sovereignty and best serves private and governmental interests. You may wish, therefore, to

present to the Spanish Government any and all facts you think pertinent.

2. You stated "you plan seek quarter million dollar refund." The correct facts are: To be eligible for financing at all by FOA, all purchases by the Spanish Government or other Spanish importers, must be made in accordance with applicable rules and regulations of this Agency. Purchases are post-audited and if not proper, a refund of any and all prior disbursements is obtained. This identical procedure is used in effect in most of the countries throughout the world receiving United States assistance. The Spanish-American Economic Aid agreement prescribing this procedure is standard in this respect. No post-audit having been made, FOA has at this time no basis either for passing on the propriety of the subject contract or for questioning the judgment of the Spanish Government in making awards. We have every confidence said award will be made in accordance with pertinent regulations. From reports we have received, it is our understanding that the Spanish purchasing authorities prefer your competitor's product because their engineers have, after detailed analysis, concluded that it has many advantages, including substantially greater tractive power, less weight per axle, more speed on grades, better brakes, stronger body construction, more accessible machinery, better located control stations, superior and more modern motor, electrical equipment made by manufacturer who will continue making such equipment, and finally, earlier delivery which alone will result in savings of more than enough to compensate for higher initial cost.

3. You stated "our simple request that our technical experts have an opportunity to present true facts to objective Government experts has been summarily denied frankly compounding Spanish sole responsibility." The correct facts are: We advised you we intended to have a complete examination made by competent experts at time of post-audit as to the conclusions of Spanish engineers summarized above and as to all other aspects of the contract, and you would have full opportunity to present your views at that time.

4. You stated "your colleagues said there is more than meets the eye" in this transaction. The correct facts are: Your colleagues made this statement. Neither my colleagues nor I made or implied it. If you possess any information on "any hidden or secret deals" mentioned in your telegram, I urge you to provide us with such information immediately.

I assure you that in this contract, as in all others, FOA will take every step to safeguard the best interests of the United States in conducting joint programs of Mutual Security with cooperating countries.

Sincerely yours,

(signed) D. A. FitzGerald
Acting Director,
Foreign Operations Administration

Draft telegram to:

James F. Connaughton
Vice President
Baldwin-Lima-Hamilton Corporation
Eddystone, Pennsylvania

I have received your telegram of March 8, addressed to me and simultaneously released to the press. Because your public wire contained errors in fact and implication without foundation, I hasten to correct them and will release this to the press.

1. You erroneously stated quote / FOA decides that Spanish locomotives award going to higher bidder unquote. The correct fact, as explained to you in our meeting March 3, is that the awarding of the contract is entirely in the hands of the Spanish Government, and therefore FOA does not repeat not decide to whom the award is going.

FOA policy is to encourage the use of private trade channels to the maximum extent possible, in accordance with Congressional mandate.

The locomotives in question are to be used by the Spanish Government on Spanish railroads. It is our belief that the sovereign Government of Spain is competent to carry out its own procurement arrangements, dealing directly with private business channels. Therefore, suggest you present any new facts you believe pertinent direct to the Spanish Government for their consideration.

2. From reports I have received, I understand thatthe Spanish purchasing authorities prefer their competitors bid for these reasons among others:

Conclusion is drawn that ALCO motor is much superior to Baldwin.

ALCO has 20.8 tons continuous tractive effort at 17 kilomaters per hour. Baldwin has 17.875 tons at 16.6 kilometers per hour.

ALCO has actually built a locomotive suitable for Spanish track guage and operating conditions which is now operating in the regular service of Renfe with entire satisfaction. Cases are known where the locomotives of several American firms have required long periods of time and much experimentation before being successfully adapted to other track gauges and other weight limits, operating conditions, et cetera. Renfe feels confident, from actual experiences, that ALCO locomotives, built on the same plans, can be immediately put into service on its tracks without a period of experimentation.

ALCO offers to deliver all 14 locomotives within six months while Baldwin requires nine.

The purpose of the $4 million allocated for the purchase of 14 diesel locomotives and spare parts is to provide, in the interests of mutual security, a strengthening of the Spanish railroad network. The Spanish Government, I feel sure, has exerted its best efforts to ascertain that the spending of this allocation will render the maximum benefit in the shortest time to its railroad system.

3. You further erroneously state that FOS seeks a greater million dollar refund. This is untrue. Following standard FOA regulations with respect to all FOA-financed transactions, be they with Spain or any other country, FOA will carefully audit all bills presented to insure that the purchases they represent are in strict accordance with the rules and regulations of the agency. At the time of such audit you have full opportunity to present all information you desire and suhh information will be taken into full account.

4. Finally, you erroneously stated that at the meeting of March 3, quote Your colleagues said there is more than meets the eye unquote in this transaction. May I emphasize that neither my colleagues nor I at any time made or implied such a statement. If you possess any information on quote any hidden or secret deals unquote mentioned in your telegram, I urge you to come forward and provide us with it immediately.

I assure you that in this contract, as in all others, FOA will take every step to safeguard the best interests of the United States and cooperating countries in joint programs of mutual security.

DAFitzGerald

FOA
FOREIGN OPERATIONS ADMINISTRATION
UNITED STATES OF AMERICA
PRESS RELEASE

FOA No. 324

Barnley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release
Wednesday, March 16, 1955
(Also Announced in Karachi)

$20 MILLION LOAN MADE TO PAKISTAN

WASHINGTON -- FOA today announced a $20 million loan to Pakistan as part of a $65.5 million U. S. defense support program for Pakistan during the current fiscal year.

The loan is repayable in Pakistan rupees over a period of 40 years at four percent interest.

The loan accords with a provision in P.L. 665 (Sec. 505) that of funds made available to FOA, including foreign currencies received from the sale of surplus agricultural commodities, the equivalent of $200 million or more in assistance to foreign countries must be in the form of loans.

Under the $65.5 million U.S. defense support program announced in January for Pakistan, $40 million are earmarked for essential consumer goods and $20 million for defense support projects, including domestic aviation; improving the water supply of Karachi, the country's capital; and irrigation.

Consumer goods to be acquired include sugar, fertilizer, tallow, iron and steel, chemicals, drugs and pharmaceuticals, petroleum products, non-ferrous metals, industrial machinery and vehicles.

The Pakistan loan agreement was signed by the Charge d'Affaires of the Pakistan Embassy, M. Shafqat, in the absence of Ambassador Syed Amjad Ali, who is temporarily in his home country, and Maj. Gen. Glen E. Edgerton, U.S. Army retired, Chairman of the Board of the Export-Import Bank of Washington.

The Bank administers the Foreign Operations Administration's assistance loans after they have been negotiated by the U.S. Department of State with the assistance of FOA.

- more -

Pakistan may repay the loan in Pakistan rupees valued at the effective rate of exchange on the date of repayment, or in U.S. dollars if the country elects.

Should Pakistan in the future repay solely in U.S. currency, the agreement may be changed to call for a three percent interest rate.

The Pakistan loan is the third signed recently under the Mutual Security Act. Previous agreements have been with Israel for $15 million and with Egypt for $7.5 million.

Similar agreements are now being negotiated with other friendly foreign governments.

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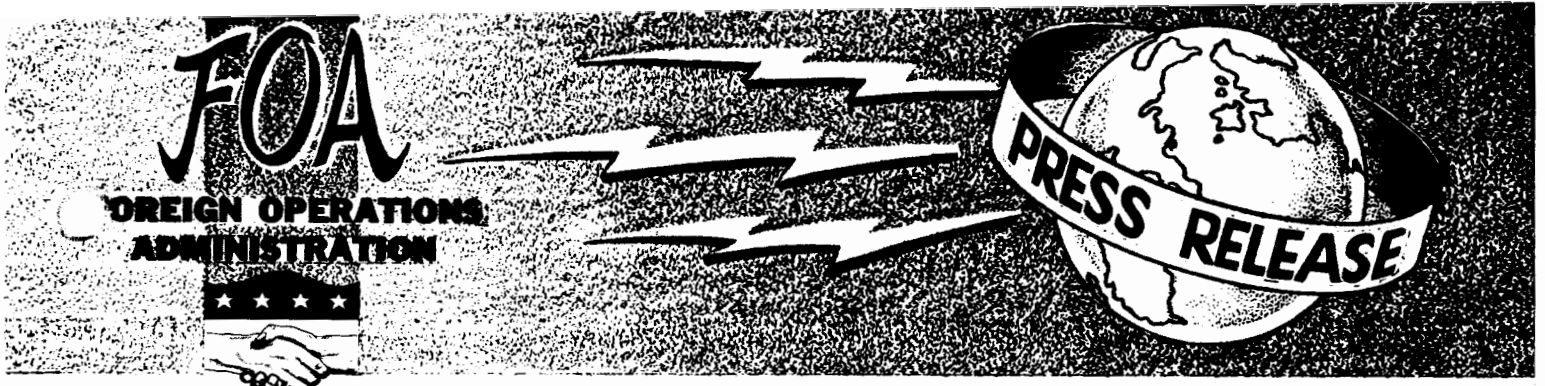

FOA No. 325

For Immediate Release
Thursday, March 17, 1955

Caldwell
Office of Public Reports
STerling 3-6400, Ext. 2627
Rm. 400, 806 Conn. Ave., NW

STASSEN GIVES FIGURES
ON 1956 MSP REQUESTS

WASHINGTON -- President Eisenhower's request of appropriations from Congress for the Mutual Security Program for FY 1956 will include the following figures, FOA Director Harold E. Stassen announced today at a news conference.

His statement said:

Of the total Presidential request for new appropriations included in the Budget Message of $3,530 million, you will recall that it was there divided between the major groups of purposes as follows (all figures in millions of dollars):

Military End Items and Training	$1,400
Direct Forces Support	630
All Other Programs	1,500

Of this world total, $2,140.5 million will be involved in the country and area programs within the arc of free Asia region. This will be divided as follows:

Military End Items and Training	$ 675.5
Direct Forces Support	550.0
All Other Programs	915.0

This will compare with the parallel Fiscal Year 1955 figures as follows:

Military End Items and Training and Direct Forces Support combines	$ 826.7
All Other Programs	485.2
TOTAL	$1,311.9

- more -

On the estimated expenditures side, the figures will be as follows:

FY 1955

Military End Items and Training	$ 772.8
Direct Forces Support	425.0
All Other Programs	500.0
TOTAL	$1,697.8

FY 1956

Military End Items and Training	$1,258.6
Direct Forces Support	500.0
All Other Programs	585.0
TOTAL	$2,343.6

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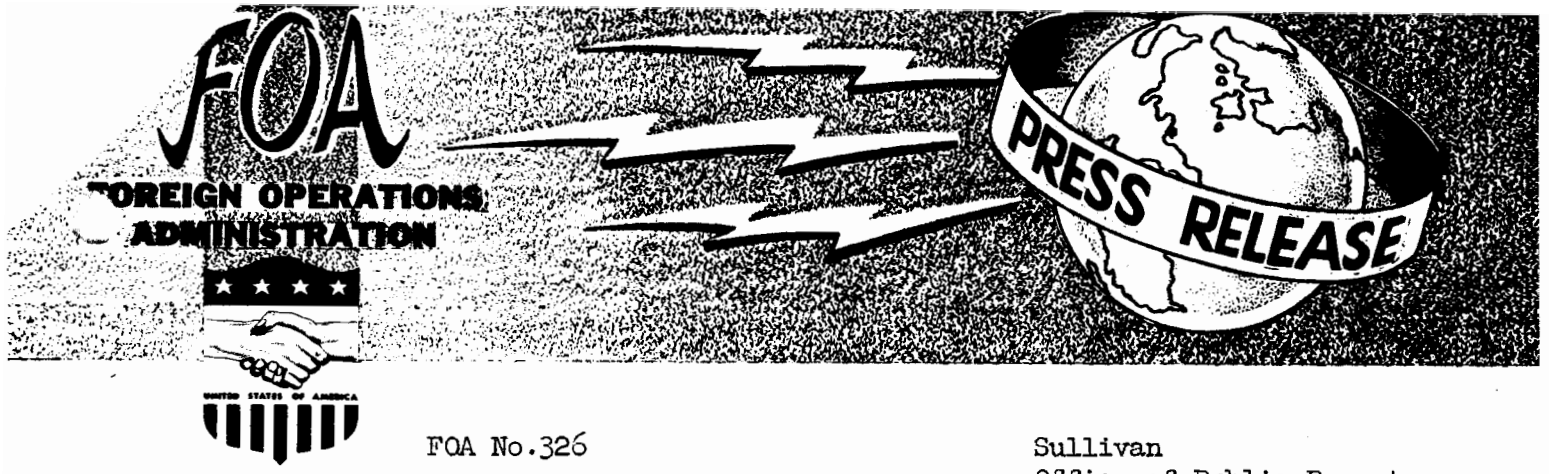

FOA No.326

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release
Friday, March 18, 1955
(Released also in Rio de Janeiro)

U.S.-BRAZIL FINANCE
PROGRAMS IN HEALTH

WASHINGTON -- U.S. and Brazilian officials today announced the signing in Rio de Janeiro of an agreement under which Brazil will make 90 million cruzeriros ($4.8 million) and the U.S. $300,000 available to the joint cooperative health program, recently extended to June 1960.

Dr. Eugene P. Campbell, chief of the FOA health and sanitation field party in Brazil since 1945, who signed for the U.S., has been awarded the Medical Legion of Merit for his services to Brazilian public health, culture, and education. The award was given by decree of President Joao Cafe Filho.

Dr. Campbell, who has worked in the health field for 12 years in Latin America, will leave Brazil on April 6 to assume the post of deputy chief of the public health division in the Foreign Operations Administration's Washington office.

The cooperative health program, which began in 1942 with major emphasis on control and treatment of communicable and indigenous diseases, consists of work in the Amazon, San Francisco, and other large river basins of Brazil in which some of the most serious public health problems are being solved.

Since the start of the program, 215 activities have been turned over to Brazil. Particularly important among those transferred were the Amazon Area projects, the control and treatment of diseases, the operation and maintenance of health centers, clinics and dispensaries on launches; instruction for mothers on child care and nutrition, and the training of visiting nurses, nurses aides, midwives, and assistant laboratory technicians.

The average life span has increased by 10 years in some sections of the Amazon area since start of the program, statistics indicate.

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A native of Minnesota, Dr. Campbell is a graduate of the University of California, John Hopkins University, and the University of Pennsylvania. From 1939 to 1942 he was assistant professor of epidemiology at the University of Pennsylvania, public health officer and field director of the Institute of Inter-American Affairs (now part of FOA) in 1942-1943, and chief executive officer at Guatemala City in 1943-1944.

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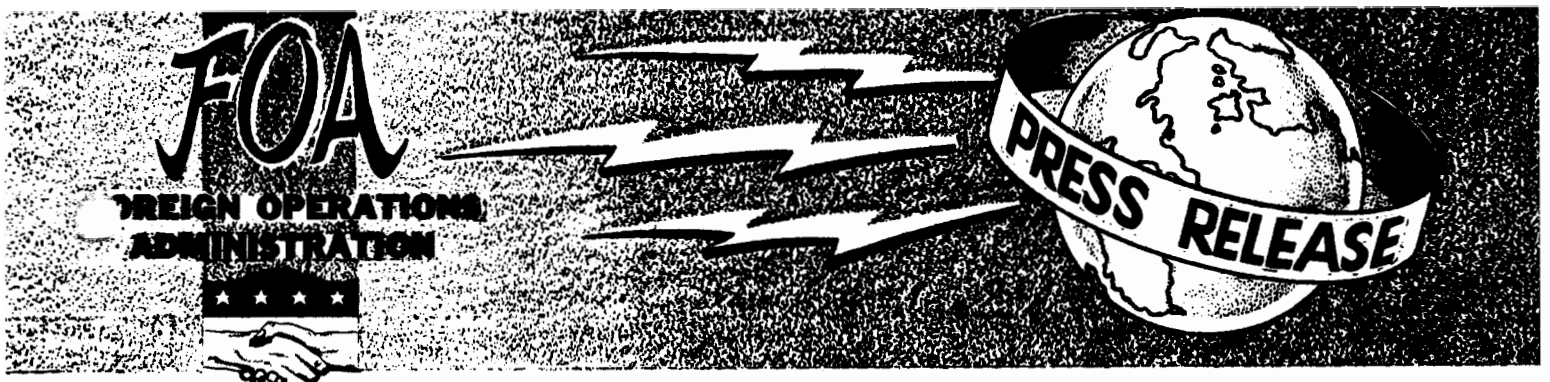

FOA No. 327

ADVANCE for Release at 6:00 P.M.
Saturday, March 19, 1955

R.Wilson
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

STASSEN ENDORSES
PLAN ON RESERVES

WASHINGTON -- FOA Director Harold E. Stassen in the following statement today endorsed the Department of Defense's National Reserve Plan.

"The ever-increasing destructive capacity of new weapons and the terrifying speed with which they can be delivered require a military manpower system in the United States that will be geared to any eventuality.

"No longer can we count on a reasonable 'grace period' after involvement during which we can mobilize our great potential, as we were able to do in history's most recent wars.

"The United States must have strong, well-trained military forces established on a long-term basis -- a system built on a flexible manpower reserve program that will assure an immediate reservoir of well-trained and well-oriented civilian-soldiers which can quickly move into action to support forces already in being.

"Since our very survival as a nation may well depend on the degree and quality of our preparedness, I firmly believe that the Department of Defense National Reserve Plan is a sound proposal for building the kind of reserve structure we need, assuring at the same time a maximum of fairness for all of our young men with respect to their military service."

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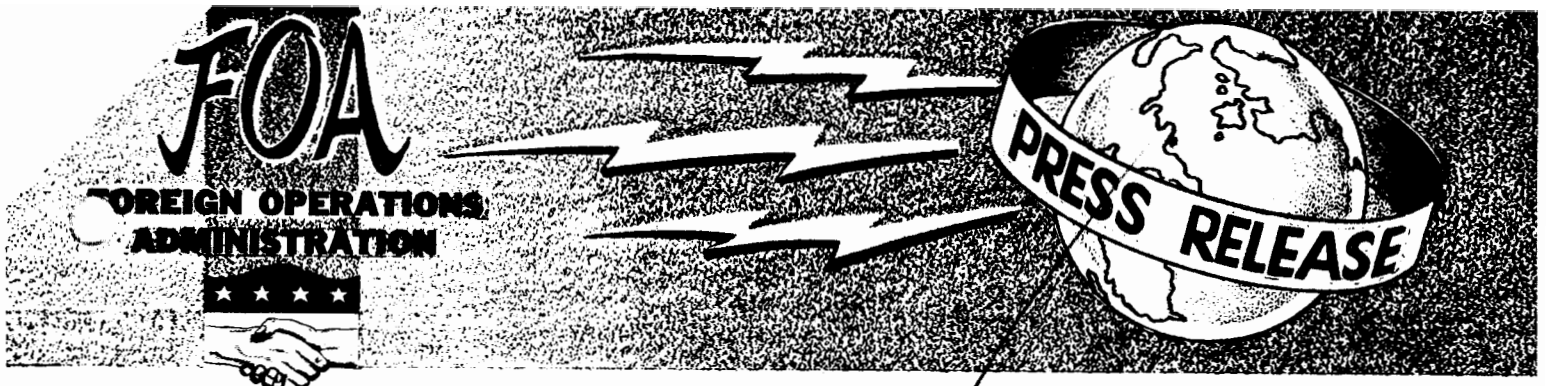

FOA No. 328

For Immediate Release
Tuesday, March 22, 1955

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

CORSON IS APPOINTED
FOA HEAD IN ECUADOR

WASHINGTON -- FOA Director Harold E. Stassen today announced appointment of Harland J. Corson, Washington businessman and former head of the U.S. Operations Mission to Saudi Arabia, as director of the Mission to Ecuador. He succeeds Beverly M. Coleman, recently resigned.

Corson, former president of the Corson Company, Inc., Washington, has had previous experience in Latin America with the Office of the Coordinator of Inter-American Affairs, the Rubber Development Corporation, and several oil companies.

Appointed director of the Saudi Arabia Mission in August 1953, Corson has been attached to the Office of Near East, South Asia and African Operations, FOA Washington, following the close of the Saudi Arabian Mission last fall.

The United States has been operating a program of technical cooperation in Ecuador since 1942, when the Government of Ecuador requested technical help to improve its hospital facilities. Since 1949 a U.S. civil aviation mission has been working with the Ecuadorian Government to improve its civil aviation and U.S. railway consultants are helping Ecuador toward better railway service. FOA has also supported cooperative programs in agriculture, education, and manual arts and small business.

For the current fiscal year the FOA has authorized $1,253,000 for technical cooperation in Ecuador.

A native of Millville, N.J., Corson served with the U.S. Army overseas during World War I following his graduation from the University of Pennsylvania in 1917.

After the war he was employed by the West India Oil Company for 19 years,

- more -

first as assistant manager of the branch office at Rosario, Argentina, and later as general sales manager for Argentina, Uruguay, Paraguay and Southern Brazil. In 1937 he left the West India Company to become acting assistant general manager of the Huasteca Petroleum Company in Mexico.

From 1940 to 1942 Corson was a field representative in Mexico for the Coordinator's Office and administrative assistant and vice president in South American countries for the Rubber Development Corporation from 1942 to 1947. He became president of the Corson firm, distributors of contractors' equipment, with its establishment in 1947.

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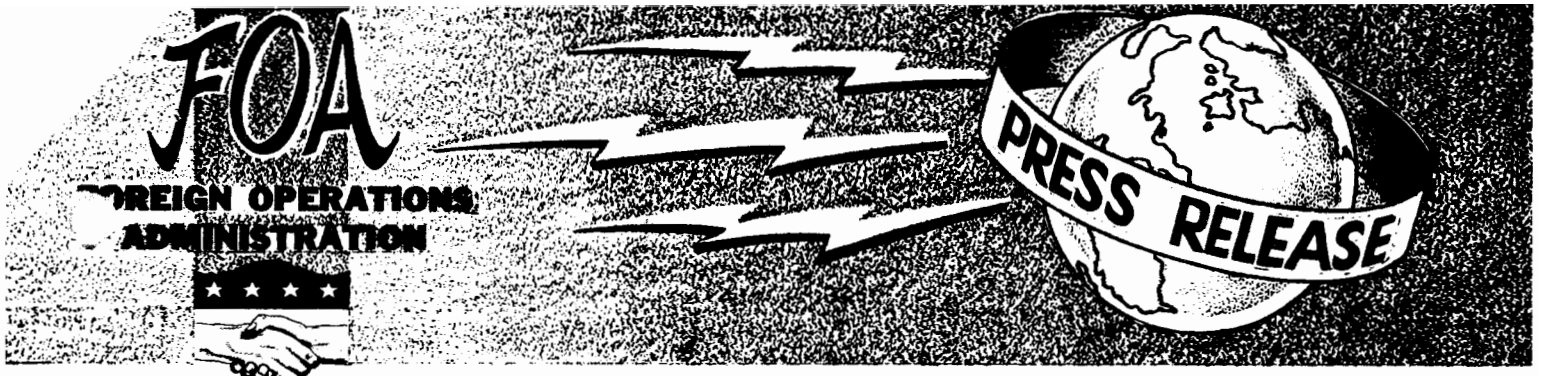
FOA
FOREIGN OPERATIONS ADMINISTRATION

PRESS RELEASE



FOA No. 329

Barkley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

For Immediate Release
Tuesday, March 22, 1955
(Also Released in New Delhi)

FOA MAKES INDIA
$45 MILLION LOAN

WASHINGTON -- A $45 million loan to India, the largest negotiated so far under provisions of the Mutual Security Act, was announced today by FOA.

The loan is a portion of the Foreign Operations Administration's $60.5 million development assistance program to the South Asian ~~nation~~ for the current fiscal year. This assistance is coordinated with the Five-Year Economic Development Program of India which these funds help to finance.

"This loan is a new milestone in our program of economic aid to India, the most populous of the world's democracies," Director of Foreign Operations Harold E. Stassen said.

FOA is helping India through its Five-Year development program to increase food production, eradicate disease, further rural community development, raise educational standards, rahabilitate its railways, and develop industry, electric power and irrigation.

The program of American-Indian economic cooperation began in January, 1952. Since that time a total of $260.1 million has been made available to India by the U.S. Congress.

Of this year's aid program, $60.5 is for development assistance and there is $15.1 for technical cooperation.

The development assistance funds will be used to acquire wheat, cotton, steel, fertilizer, railway rolling stock and equipment and supplies for malaria control.

Today's loan was made under a section in the Mutual Security Act (Sec. 505, P.L. 665), which provides that of funds made available to FOA this year, including foreign currencies received from the sale of surplus agricultural commodities, the equivalent of $200 million or more in assistance to foreign countries is to be

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in the form of loans.

The loan agreement was signed by the Indian Ambassador, Gaganvihari Lallubhai Mehta, and Maj. Gen. Glen E. Edgerton, U.S. Army retired, Chairman of the Board of the Export-Import Bank of Washington.

Loans under the FOA program are negotiated by the U.S. Department of State and FOA. The FOA is responsible for disbursement of the loan. Other administration is handled by the Export-Import Bank.

The loan is repayable in Indian rupees over a period of 40 years at 4 percent interest, payments to begin September 30, 1958. It may be repaid in rupees on the basis of the effective rate of exchange on the date of repayment.

If India elects, the loan may be repaid in dollars, in which case the interest rate would be 3 percent.

The India loan is the fourth signed under the Mutual Security Act and brings the total of loans negotiated so far to $92.5 million.

Previous loans were $20 million to Pakistan; ~~$20~~ 15 million to Israel, and $7.5 million to Egypt. Similar agreements are now being negotiated with other friendly foreign governments.

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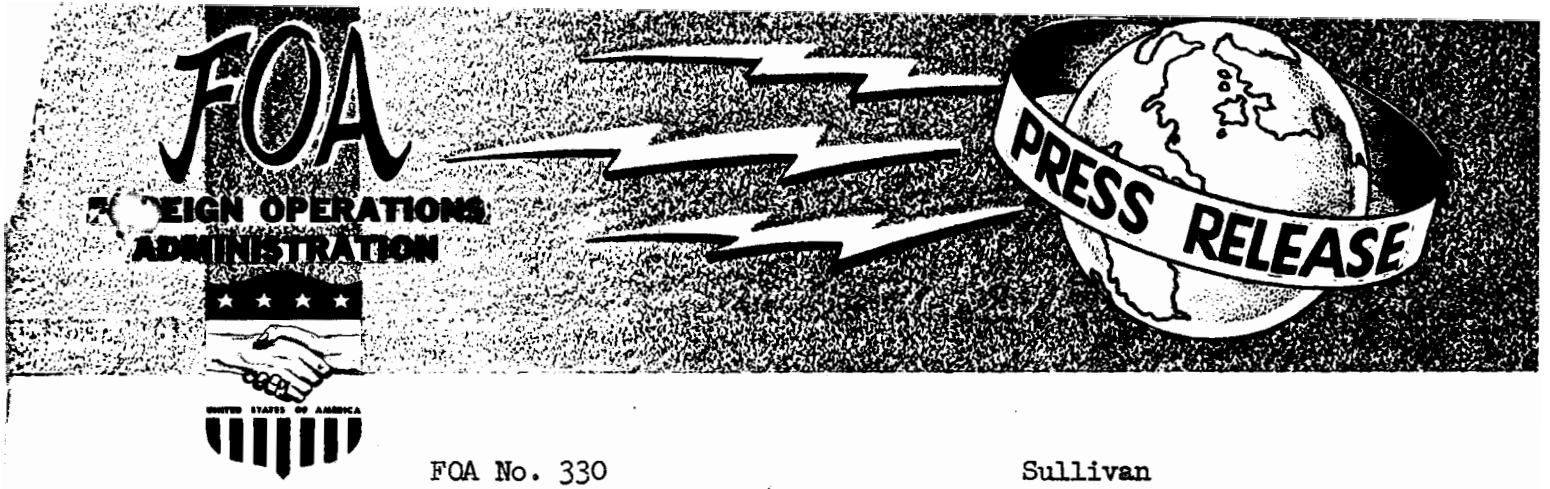

FOA No. 330

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release
Tuesday, March 22, 1955

POLIO EXPERT SENT
BY FOA TO URUGUAY

WASHINGTON -- FOA announced today it is sending Dr. Alexis Shelokov, National Institutes of Health polio researcher, to Uruguay to assist in combating a polio epidemic there. Dr. Shelokov is flying to Uruguay today.

There he will supervise the operation of iron lungs and respirators that have been rushed to Uruguay by air to fight the epidemic, which at last report numbers about 300 cases.

The Department of State, at the request of the Government of Uruguay, arranged for an initial shipment of 10 iron lungs, weighing almost 900 pounds each, to be flown to Montevideo by Pan American World Airways at no cost. They were loaded aboard an Airways Cargo Clipper last Friday.

Five other lungs, including one being flown from Hamburg, Germany, and a chest respirator, will follow soon.

The equipment was purchased with funds raised by the Uruguayan National Foundation for Children's Health and Welfare, headed by Mrs. Matilde I. De Batlle Berres, wife of the President of Uruguay.

The United States, which has been conducting a cooperative health program in Uruguay since 1942, now has two Foreign Operations Administration health technicians there. Dr. James Wardlaw is in charge of the FOA field party, which assists mainly in the operation of health centers and in the training of nurses.

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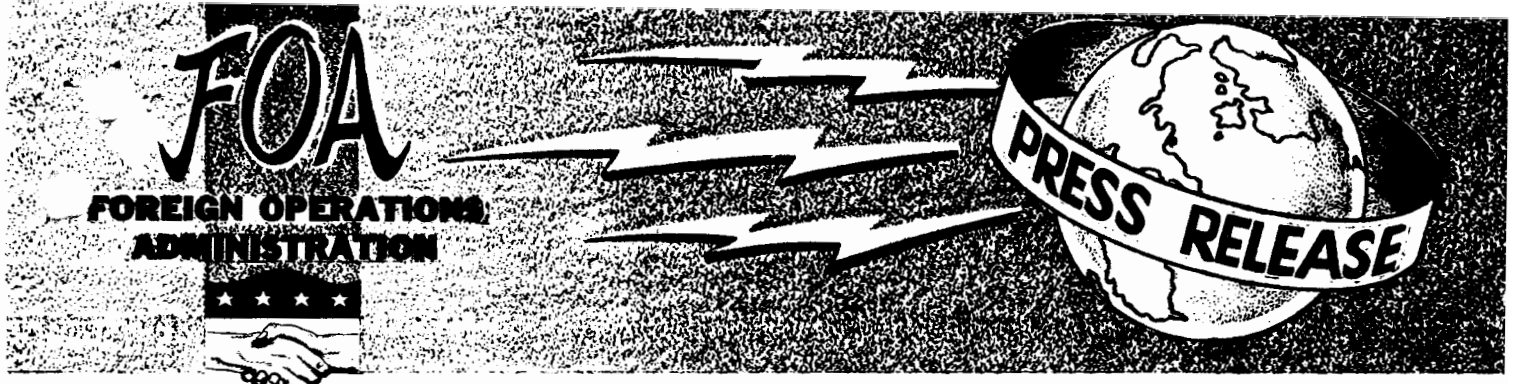

FOA No. 331

For Immediate Release
Thursday, March 24, 1955

Hughes
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

FOA-AUSTRALIA ANNOUNCE
CLEARING HOUSE SERVICE

WASHINGTON -- The Foreign Operations Administration and the Australian Embassy today announced the extension to Australia of FOA's Contact Clearing House Service.

This free service is designed to establish direct communication between American and Australian private businessmen interested in joint ventures through investment or licensing arrangements. Once the contact has been established FOA withdraws. It makes no investigation into the affairs of private businessmen, nor does it intervene in negotiations between them.

With the cooperation of the Australian Government and United States diplomatic and consular offices, FOA has enlisted the assistance of chambers of commerce in each of the six states in Australia to serve as volunteer field counselors. Working in the interest of their local business communities, the counselors will gather Australian proposals for publication in the United States and will distribute in Australia information concerning American proposals.

Australia's field counselors bring to more than 7,000 the number of industry associations, chambers of commerce, banks and other organizations in the United States, Western Europe and many other free countries helping to disseminate information concerning American and foreign investment proposals.

Since the inception of the Contact Clearing House Service in 1950, United States and foreign field counselors have gathered and disseminated nearly 2,500 specific investment proposals. Information concerning this Service may be obtained from the Foreign Operations Administration, Office of Small Business, Washington 25, D.C.

Australia's industrial economy is developing over a wide range of industries in keeping with her rapidly increasing population and her status as an important new continent.

- more -

Australia's receptiveness to American private investment will be illustrated by a display arranged by the Australian Government Trade Commissioner in the Australian Display Center, Rockefeller Concourse, New York, featuring "U.S. Capital Participation in Australia" to be opened March 25. Taking part will be some 22 U.S. corporations with substantial investments in Australia.

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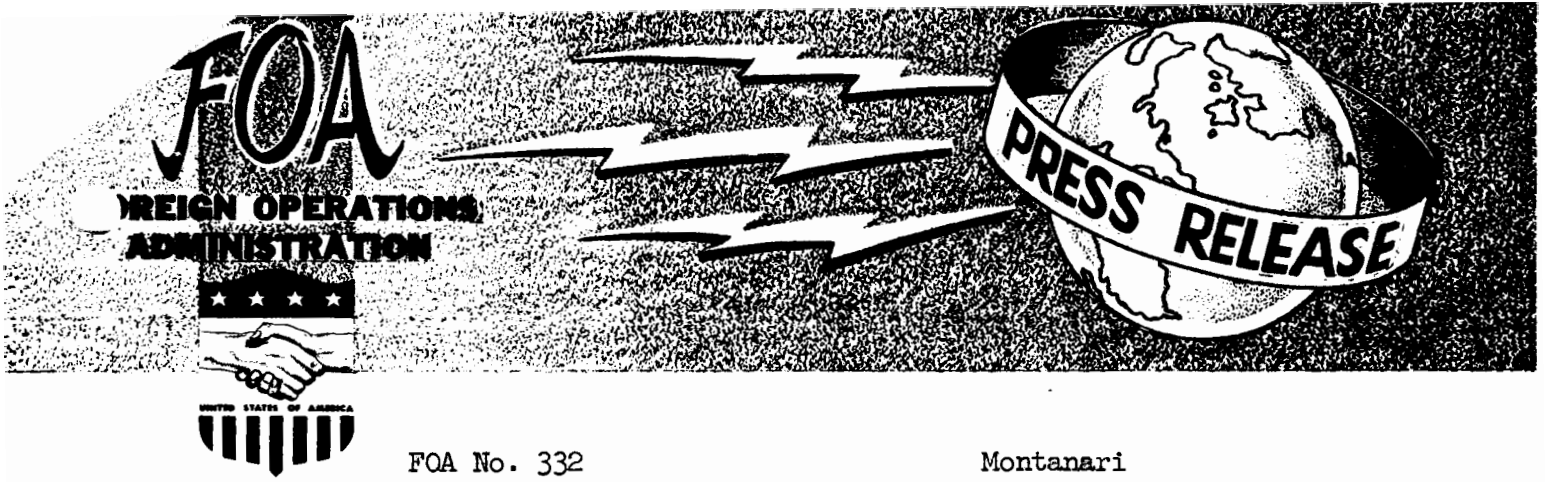

FOA No. 332

For Immediate Release
Thursday, March 24, 1955

Montanari
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

BACKGROUND INFORMATION FOR USE OF THE PRESS

(This material has been prepared as a service for the press in connection with the visit to the United States of Mario Scelba, President of the Council of Ministers of Italy, and Gaetano Martino, Foreign Minister, who are expected to be in the United States from March 27 to April 7)

Post-World War II relations between the United States and Italy have been marked by outstanding economic, political and military cooperation. The two nations have been more closely tied by mutual interests than at any other time in history.

As the head of a nation which is working closely with the United States and the other nations of the free world to build economic, political and military security in the name of peace, Italy's Premier Mario Scelba will pay a goodwill visit to the United States with his foreign minister, Gaetano Martino, arriving in Washington Sunday, March 27.

A leader of the Christian Democratic Party of Italy, Prime Minister Scelba has declared: "Italy's foreign policy of collaboration with the West is no longer a party policy but has become a national policy."

Like his predecessor, Alcide De Gasperi, the 53-year-old Scelba has effectively fought democracy's battles in Italy for years. As Minister of Interior, a post which he held from 1947 to 1953, he rooted out Communist elements from the government's security forces and built up these forces into a disciplined and effective organization. The Scelba government is continuing efforts to curb extra-legal activities of Communists.

Scelba's government has continued to make major efforts toward building up the underdeveloped southern areas of Italy, where economic troubles and attendant unemployment and low living standards have provided a fertile soil for the large, well-organized and well-directed Communist party.

- more -

The Scelba government is pressing forward with the development of this depressed area through the "Cassa per il Mezzogiorno" ("Fund for the South"), a development agency formed in 1950. Large-scale projects being pushed include road building, land reclamation drainage and irrigation works, construction of power plants, sewerage systems and housing, as well as continuing basic reforms such as redistribution of land.

Supporting these projects, the Foreign Operations Administration last year allotted $20 million in defense support funds to finance dollar commodities for Italy. The sale of these commodities in Italy is generating an equivalent amount of lire (local currency) to be used as a revolving loan fund to speed up the formation and development of industries in the depressed areas. The lira proceeds of a similar $15,520,000 allotment made this year will help to finance the Cassa public works program, which receives an annual budget averaging $175 million equivalent from the Italian Government.

The government also is seeking more effective laws, in its efforts to strengthen democracy, to clamp down on tax evaders, reorganize the civil service, reform the social security system, encourage foreign private investment and otherwise reform and revitalize the economic structure.

For the future, a comprehensive "Outline of Development of Income and Employment in Italy" for 1955-64 has been submitted to the Organization for European Economic Cooperation (OEEC), whose Western European member nations have shown they realize that one nation's social-economic problem is the problem of all.

Hard work and the aid of the Marshall Plan and the Mutual Security Program have brought about, in less than seven years since the start of the Marshall Plan in 1948, increases of more than 75 percent in industrial production; 60 percent in electric power; 25 percent in agricultural production; 50 percent in gross national products; 45 percent in private per capita consumption and 50 percent in foreign trade.

The economic and defense buildup of Italy, aided by the U.S. programs, has enabled the nation to strengthen her partnership in the free world alliance by playing an increasingly important role in NATO, OEEC and the European Coal and Steel Community.

In a progressively liberal foreign trade policy, the Scelba government and its predecessors have reduced import duties and cooperated with OEEC to the extent that Italy has one of the highest over-all levels of import liberalization among the European nations. State trading has been almost completely abandoned. Recently, Italy has also liberalized dollar imports, placing some 25 percent of such imports on the free list.

After the collapse of the European Defense Community plan, the Scelba government showed its devotion to European unity by its quick support of plans to work out a new European defense concept.

Italy has also contributed to the common defense against aggression by building up its armed forces and its military equipment, on which NATO could count if Europe were attacked. Italy spent the equivalent of $846 million defense during the last fiscal year, a 63 percent increase from its defense expenditures in fiscal

- more -

1950, before the Communist attack in Korea.

In addition, Italian mechanical and manufacturing skills are being used to produce for the defense effort more than $435 million worth of military equipment under the U.S. offshore procurement program.

Scelba, a sharecropper's son, was born in Sicily in 1901. When he became Prime Minister in February, 1954, he was the first Sicilian to hold this post since 1919. An early protege of Don Luigi Sturzo, founder of the Popular Party and now a member of the Senate, young Scelba joined the Popular Party as an organizer after early activity in the Catholic Action groups.

With the suppression of the Popular Party by the Fascists, he dropped out of politics, but became active again in 1941 to help reconstitute the Catholic Party, which in 1943 became known as the Christian Democratic Party. A member of the Constituent Assembly after the war, he was elected to the Chamber of Deputies in 1948 and re-elected in 1953. He was a cabinet minister continuously from 1945 until the formation of De Gasperi's eighth government in July, 1953.

U.S. Ambassador Clare Boothe Luce will accompany the Prime Minister's party in the official Washington visit, which begins Monday, March 28 with calls on the Secretary of State, President Eisenhower and other officials. On Tuesday, Scelba will be the speaker at a National Press Club luncheon, while the Wednesday highlight will be an introduction on the floor of the U.S. Senate.

Beginning Thursday, the official visit will continue in New York, where the party will remain until Sunday, April 3. On an unofficial basis, the Scelba group will then visit other cities until its departure for Italy on April 7.

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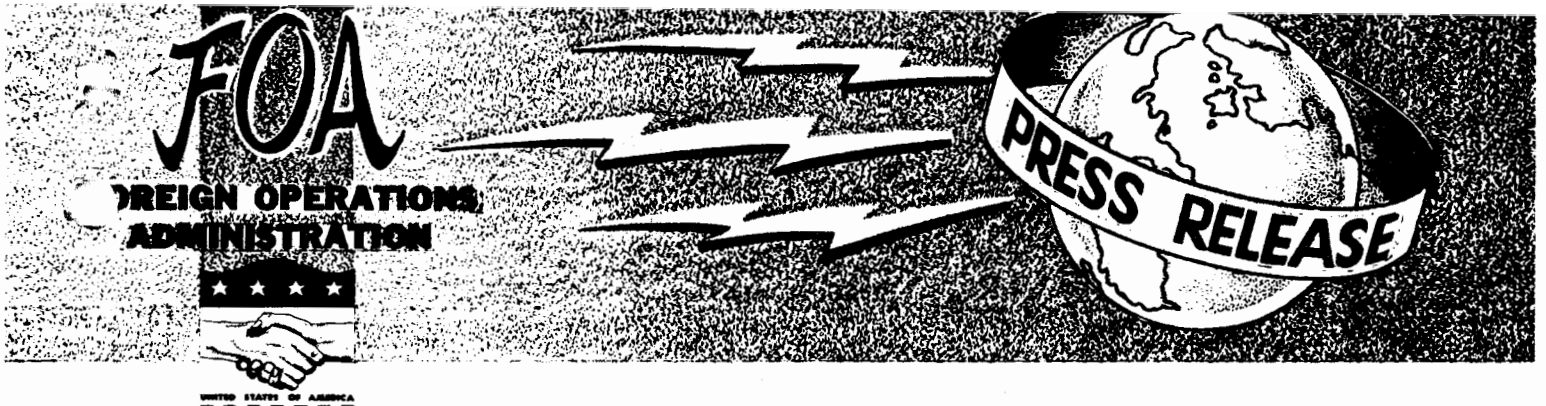

FOA No. 333

ADVANCE FOR AUTOMATIC RELEASE
NOON, Friday, March 25, 1955

Wilson
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

ESCAPEE PROGRAM HAS
ITS 3RD ANNIVERSARY

WASHINGTON -- Today marked the third anniversary of the creating of the U.S. Escapee Program, which, with the aid of volunteer agencies, has benefitted more than 50,000 escapees from behind the Iron Curtain.

In connection with the anniversary, representatives of the volunteer agencies were greeted today by President Eisenhower and Harold E. Stassen, director of the Foreign Operations Administration which administers the USEP.

USEP helps improve the facilities in asylum countries for the reception and care of escapees, and helps facilitate their permanent resettlement overseas.

Voluntary agencies have been particularly effective in resettlement activities which, in nearly every case, require some person in the west to take an interest in a homeless unknown escapee, to agree to act as sponsor and to provide assurance for a job and a home.

The agencies which participate in this work include: American Council of Voluntary Agencies; Church World Service; National Catholic Welfare Conference; Lutheran World Federation; United HIAS; American Friends for Russian Freedom; American Jewish Distribution Committee; American Relief for Poland; United Ukrainian American Relief Committee; United Lithuanian Relief Fund of America; American Fund for Czechoslovak Refugees; American Organization for Rehabilitation through Training; International Rescue Committee; Tolstoy Foundation; Aid Refugee Chinese Intellectuals; Young Women's Christian Association.

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So far, USEP and the voluntary agencies have resettled about 18,000 escapees in the West, principally in the U.S., Australia, Canada, and Brazil.

USEP carries out its operations on a contractual basis with American welfare societies and several international and similar foreign organizations.

The voluntary agencies help refugees with problems necessitating action in other countries--frequently vital when finding a lost contact abroad might lead to a visa. Escapees naturally gravitate to groups where they will feel most at home in terms of cultural background, language, national origins and religion.

Because the voluntary agencies are organized along nationality and religious lines, they can obtain a greater number of assurances on the part of sponsors than would be possible through government channels.

The FOA has obligated over $9,000,000 in 602 contracts with the voluntary agencies to help escapees with clothing, food, dental and medical care, vocational and language training.

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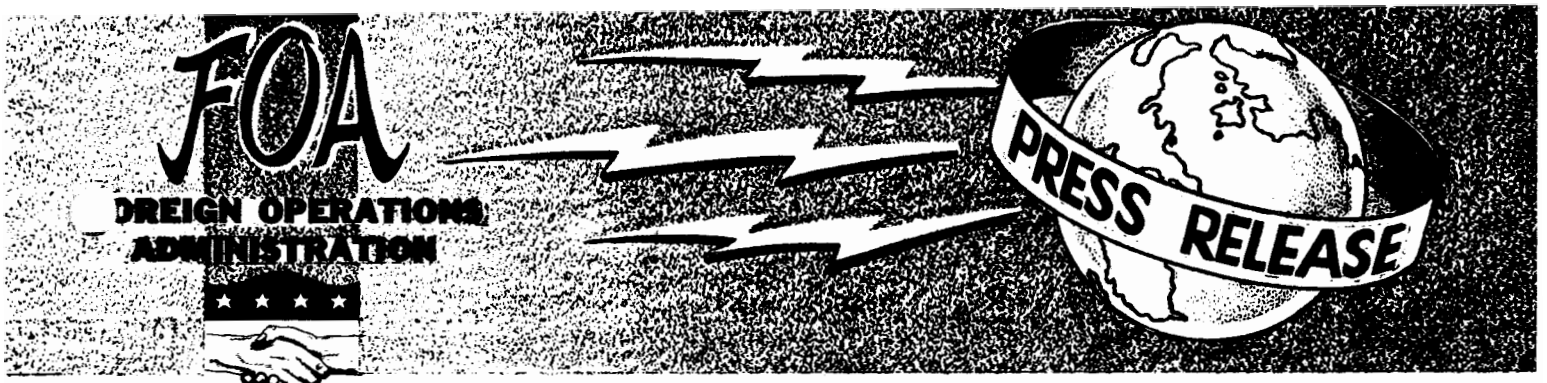

FOA No. 334

For Immediate Release
Friday, March 25, 1955

Hughes
Office of Public Reports
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FOA'S GUARANTY PROGRAM
NOW INCLUDES GUATEMALA

WASHINGTON -- Americans interested in business ventures in Guatemala may now apply for guaranties protecting their investments against losses from inconvertibility or expropriation, FOA announced today.

In an exchange of notes between the two Governments, the Government of Guatemala has agreed to cooperate in the U.S. Government's guaranty investment program conducted through the Foreign Operations Administration.

Guatemala has became the 22nd foreign country and the third Latin American republic to participate in the U.S. program which seeks to encourage new investments abroad by American private enterprise, investments which will help to build up the economic and defensive strength of free countries and support the further development of productive private enterprise.

Other cooperating governments are Austria, Belgium, China (Formosa), Costa Rica, Denmark, France, Germany (Federal Republic), Greece, Haiti, Israel, Italy, Japan, the Netherlands, Norway, Philippines, Portugal, Spain, Thailand, Turkey (convertibility only), United Kingdom (convertibility only), and Yugoslavia.

The U.S. objective is to enlist for other free nations of the world not only American capital, but the technical and managerial skills and the progressive spirit of American private enterprise.

Investments may be in cash, materials and equipment, patents, processes and techniques, or services. While they must be approved by the U.S. Government and the appropriate foreign government, there is no interference in the operation of the business.

Guatemala is a Central American republic with an area of 45,000 square miles and a population of about 3,000,000. Its principal cities are Guatemala City, the capital; Quezaltenango, an industrial center; Coban, center of a coffee-producing district; and Antigua.

Guatemala's most important economic activity is agriculture, in which 88 percent of the people are engaged. Coffee, bananas, honey, sugar, corn, rice, and

potatoes are the country's most important crops. Much of the chicle used in the United States for the manufacture of chewing gum also comes from Guatemala.

U.S. imports from Guatemala, which totaled $63.3 million in 1953, are chiefly coffee, bananas, and abaca fiber. U.S. exports to Guatemala, totaling $44.4 million in 1953, are chiefly grains and grain products, machinery, automobile parts and accessories, and chemicals and related products.

Guatemala and the United States are cooperating in a program of technical aid to meet the needs of the new anti-Communist Government, faced with difficulties left from the previous Communist regime.

The United States has authorized a total of $6,425,000 for economic aid and technical cooperation for Guatemala for fiscal year 1955. Of this, $4,425,000 is for construction of the Pacific Slope and Inter-American Highways, $1,300,000 for technical aid, and $500,000 for completion of the Roosevelt Hospital. The balance has not yet been allocated.

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M/PR - Wilson, R.
Rm. 400-M

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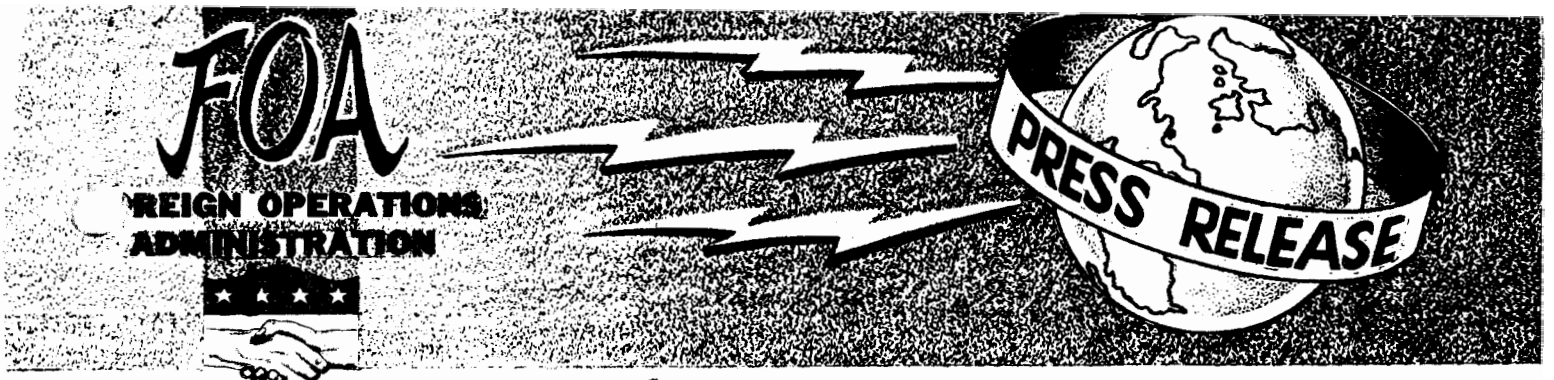
FOA
FOREIGN OPERATIONS ADMINISTRATION

PRESS RELEASE

UNITED STATES OF AMERICA



FOA No. ~~325~~ 335

For Immediate Release
Monday, March 28, 1955

Barkley
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Rm. 409, 806 Conn. Ave., NW

FOA CHIEF NAMED
FOR AFGHANISTAN

WASHINGTON -- Robert M. Snyder of Lahmansville, W. Va., was sworn in today as new director of the FOA mission in Afghanistan.

Afghanistan, one of the countries included in the Administration's projected "Asian Arc" assistance program, is almost the size of Texas with about twice the population. It is a landlocked country which lies between Iran and Pakistan just south of the Soviet Union.

The Foreign Operations Administration program of technical assistance to Afghanistan amounts to $1.6 million for the current fiscal year and consists of aid in the fields of education, mining, agriculture, community development, and health and sanitation.

Snyder, former chief agriculturalist for the Foreign Operations Mission in Pakistan, was appointed Afghanistan director in December. Illness kept him in the National Institute of Health in Bethesda, Md., for three months.

He entered the hospital upon his arrival in the U.S. from Pakistan December 9. His young daughter, Shirley 8, also spent more than a month in the Institute of Health for treatment of the same ailment, infectious hepatitis.

Snyder, his wife, daughters Shirley, Beckie 14, Margaret 16, and young son, Robert Jr. 5, are scheduled to leave the U.S. in late April for Kabul, capital of Afghanistan, and arrive there in mid-May. Beckie and Margaret, the two older girls, will enter high school in India in June.

Snyder succeeds William J. Hayes as FOA director in Afghanistan. Hayes, who held the post from July 1952 until late last year, is now in South America under contract with a foreign government.

The new director, 42, started his career in 1933 as a rural school teacher. He is a graduate of West Virginia University. He later became a county agent in his home state and in 1942 joined the staff of the U.S. Department of Agriculture.

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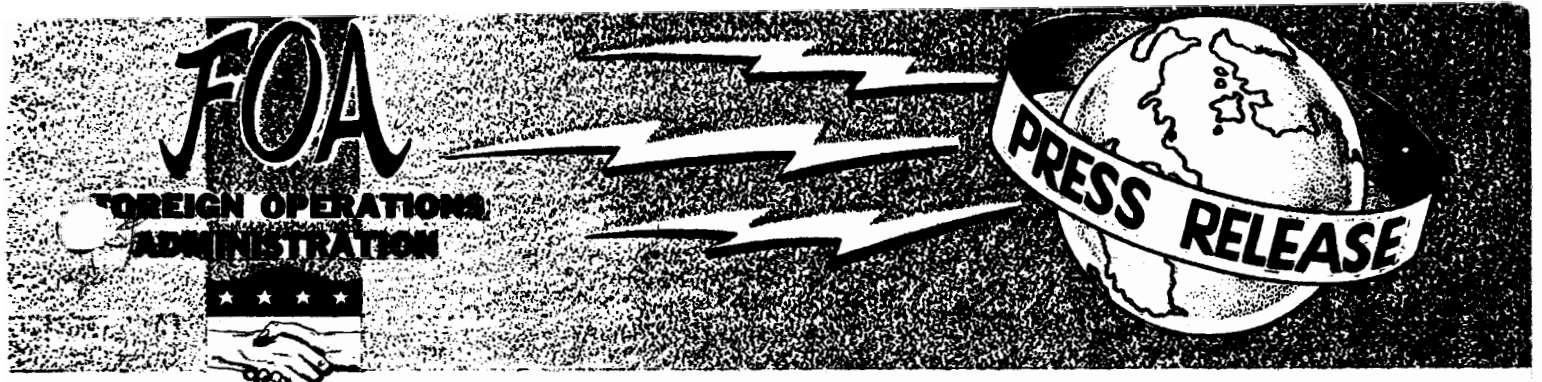

FOA No. ~~326~~ 336

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For Immediate Release
Monday, March 28, 1955

FOA NAMES DIRECTORS
FOR IRAN AND JORDAN

WASHINGTON -- Appointment of new directors for FOA missions in Iran and Jordan and a deputy director for Iran was announced today by Director of Foreign Operations Harold E. Stassen.

Clark S. Gregory, director of the U.S. Operations Mission to Jordan for the past 11 months, has been named director of the mission to Iran.

Harold S. Nelson, chief of the Jordan Division of the Foreign Operations Administration in Washington, will succeed Gregory in Jordan.

Don Stoops, chief of the Pakistan and Afghanistan Division of FOA, Washington, is the deputy director for Iran, filling a newly-created post.

Gregory and Stoops are scheduled to report to Tehran, capital of Iran, sometime in mid-May. Gregory is coming to Washington from Jordan for consultation before going to his new assignment.

Nelson is expected to leave in April for Amman, the capital of Jordan.

Appointment of Gregory to the Tehran post will return him to Iran, where he was legal counsel for the FOA mission from 1952 to 1954. He succeeds William E. Warne, recently transferred to head the FOA mission to Brazil.

FOA technical assistance projects which Gregory will administer in Iran touch the life of almost every citizen of that country, with emphasis on health, education, development of natural resources, expanding transportation and communication, and industrial development.

A native of Ann Arbor, Mich., Gregory has a law degree from Detroit College of Law. He was a practicing attorney in St. Johns, Mich., and Salinas, Calif., from 1928 to 1946, when he was named prosecuting attorney in the legal section of the Supreme Allied High Command in Tokyo. He also served as a member, general counsel

- more -

and executive secretary of the Foreign Investment Board in Tokyo.

Nelson, a native of Georgiaville, R.I., was educated at Providence College, Bryant College and the Rhode Island College of Education.

After a career as a school teacher, a Rhode Island state official and in private business, Nelson joined Government service in 1942, serving with the Public Housing Administration in Boston and New York until 1948 when he joined the U.S. State Department. From 1944 to 1946 he served as a U.S. naval officer.

He has headed the Jordan Division since the program of technical cooperation began in 1951.

The FOA program in Jordan is similar to that in Iran, having as its objective the raising of living standards through health, educational, agricultural and other development programs.

His wife, the former Eleanor Allen of Rhode Island, and daughter, Sheila, 19, will accompany Nelson to Jordan.

Stoops, the newly named deputy director for Iran, is a native of Roosevelt, Okla., and was educated at Oklahoma A. and M. College and Ohio State University.

He started his career as an economist with the U.S. Department of Agriculture in 1941, going to Buenos Aires in 1942 with the Foreign Agricultural Service. He served in the U.S. Army from 1943 to 1946 when he went to Mexico City as assistant agricultural attache. In 1947 he was appointed a member of the Joint U.S.-Mexican Commission on the eradication of the foot-and-mouth cattle disease.

From 1948 to 1952, when he became connected with the U.S. technical cooperation program, Stoops was assistant to the administrator of the U.S.D.A. Production and Marketing Administration in Washington.

His wife, Mrs. Patricia Stoops, a native of Haileyville, Okla., and their three children, Susan Patricia 6, Don William 5, and Kathleen 3, will accompany him to Tehran.

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M/PR - Newman, J.
Rm. 411-M

List C (12)

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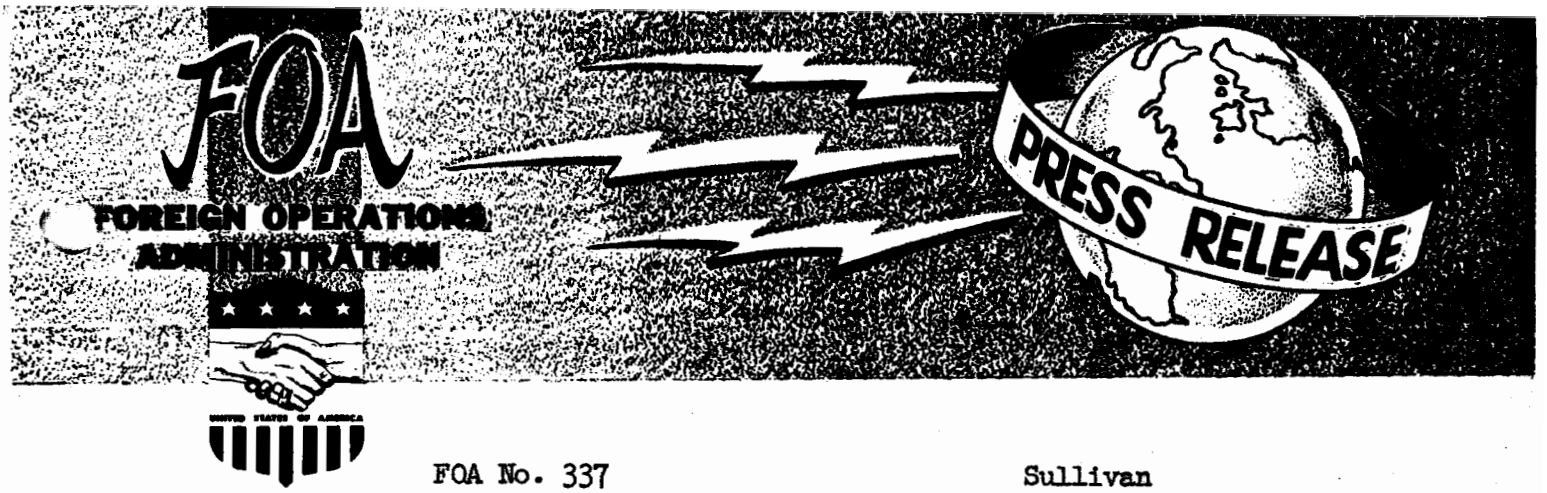

FOA No. 337

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For Immediate Release
Monday, March 28, 1955

IOWAN NAMED FOA CHIEF
IN DOMINICAN REPUBLIC

WASHINGTON -- Ralph R. Will, chief of the U.S. Operations Mission (FOA) to Pakistan since December 1952, today was appointed director of the Mission to the Dominican Republic.

Appointment of Will by FOA Director Harold E. Stassen, fills a vacancy created by the resignation of Lester B. Foley last December.

From July 1, 1950, through June 1954, the Foreign Operations Administration and predecessor agencies allocated $1,023,000 to the Dominican Republic under the U.S. technical assistance program. A total of $342,000 has been authorized for the current fiscal year.

Major program emphasis in the Dominican Republic is in the fields of agriculture and education, and to a lesser extent in health.

FOA technical and economic aid to Pakistan, administered by Will, is now in its third year of operation. Nearly 100 American technicians are assisting the country in a variety of development projects ranging from popularizing commercial fertilizer among Pakistani farmers to improving the water supply of the capital city of Karachi.

Will, a native of Iowa, has a background of 30 years' experience as a county agent, soil and water specialist, and administrator of large-scale public programs.

From 1936 to 1940 Will was assistant director of the Farm Security Administration for the region serving New Mexico, Texas, Oklahoma, Kansas and Colorado. In 1941 he was named FSA director for Puerto Rico and the Virgin Islands, and joined the staff of the Secretary of Agriculture in Washington four years later.

After graduating from the New Mexico Agricultural and Mechanical College in 1921, Will served as a county agent until 1933, and then as assistant director of the New Mexico State Extension Service until 1935.

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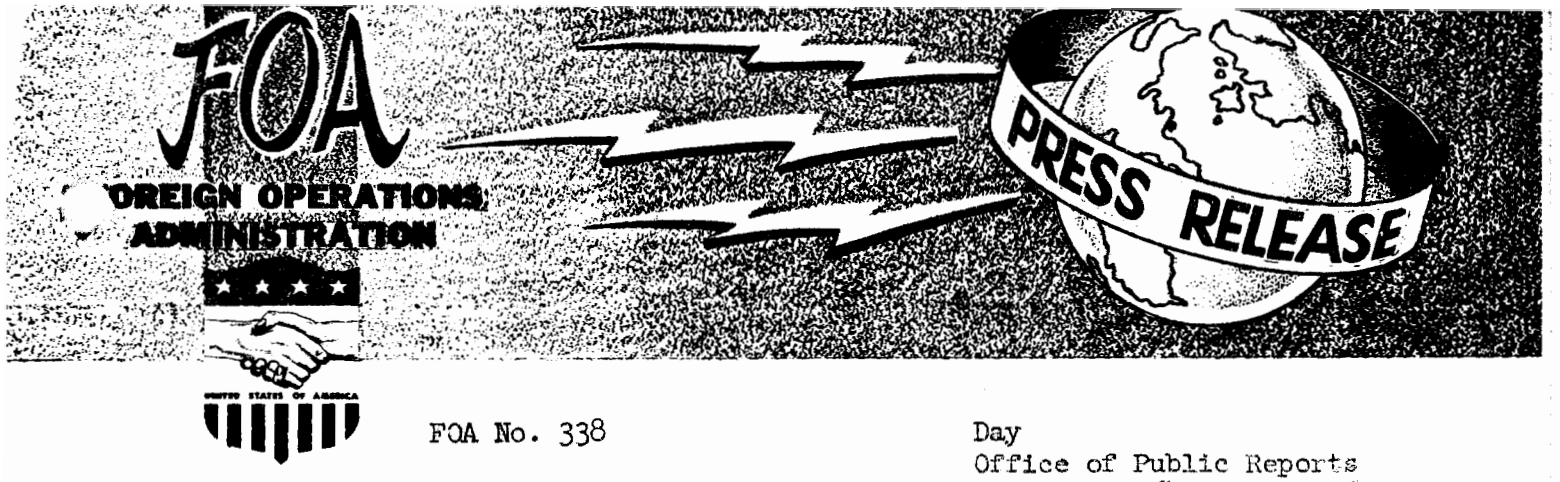

FOA No. 338

For Immediate Release
Tuesday, March 29, 1955

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
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703,119 LEAVE
NORTH VIETNAM

WASHINGTON -- More than 700,000 people left the Communist area of North Vietnam in the first seven months after the Geneva accords were signed partitioning Vietnam at the 17th Parallel, the Foreign Operations Administration announced today.

The official evacuation figures, received by FOA from its U.S. Operations Mission in Saigon, put the grand total of evacuees at 703,119, of whom more than half a million were Vietnamese civilians. There were 55,146 Vietnamese troops, 75,970 French troops and 36,088 French civilians.

FOA, at the direction of President Eisenhower, has provided $45 million thus far to help the Vietnamese Government carry out a program of relief and resettlement for the refugees.

Under the terms of the accords signed July 20, 1954, residents of Vietnam are entitled to move into the area of their choice until May 19, 1955. There have been reports, however, that the Communists have put difficulties in the way of many who have wanted to leave.

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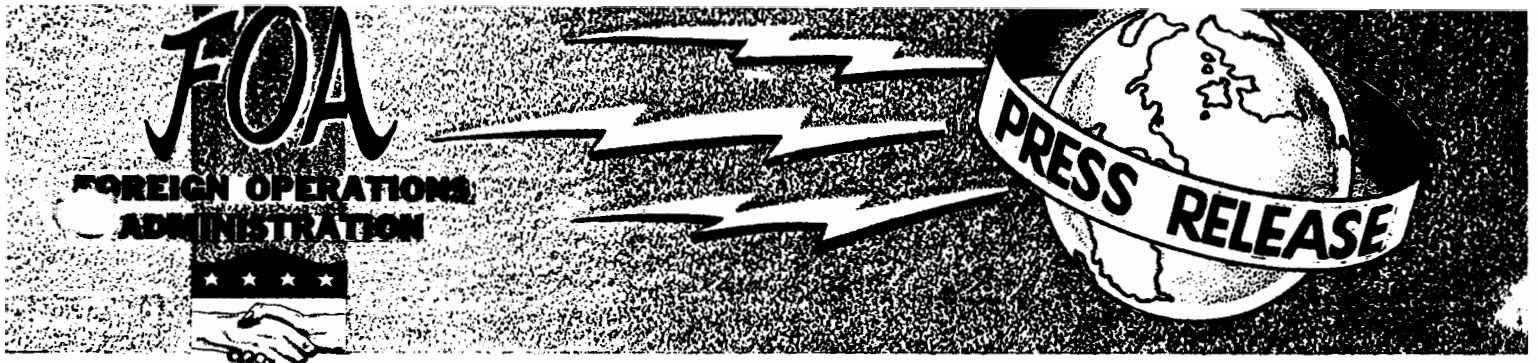

No. FOA 339

For Immediate Release
Wednesday, March 30, 1955

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

FOA CALLS WOMEN LEADERS
TO ASSEMBLY ON REFUGEES

WASHINGTON -- Leaders of organizations representing 30,000,000 American women will take part in an "Assembly on the Refugee Program" to be held in Washington on April 1, it was announced today by Mrs. Dorothy D. Houghton, FOA Deputy Director for Refugees, Migration and Voluntary Assistance.

Director of Foreign Operations Harold E. Stassen will address the assembly at a luncheon at 12:30 p.m. in the Harlequin Room of the Sheraton-Carleton Hotel.

Mrs. Houghton will preside at the assembly, which is to open at 10 a.m. in Room 474 of the Executive Office Building.

Discussion leaders will include the following:

Morning session: Ugo Carusi, FOA Assistant Deputy Director for Refugees, Migration and Voluntary Assistance; Laurence Dawson, Chief of FOA's Escapee Program Division; William H. McCahon, Chief of FOA's Voluntary Foreign Aid Division; W. Scott McLeod, Administrator, Bureau of Security and Consular Affairs, Department of State, and Edward Corsi, Special Assistant to the Secretary of State on Refugee and Migration Problems.

Afternoon session: George Warren, Advisor on Refugees and Displaced Persons, Department of State; Dayton Frost, Chief, and Elmer Falk, Program Officer, of FOA's Inter-Governmental Refugee Programs; Christopher Phillips, Deputy Assistant Secretary of State for International and Organization Affairs, and Brig. Gen. W. R. McReynolds (USA-retired), FOA Special Consultant on Refugee Resettlement.

List C (12)

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M/PR - Newman, J.
Rm. 411-M

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The day-long assembly will discuss the U.S. Escapee Program, the role of voluntary agencies, the Refugee Relief Act, Land Settlement in Bolivia, the work of the Inter-Governmental Committee for European Migration, the UN International Children's Fund, the UN Relief and Works Agency, and the activities of the UN High Commissioner for Refugees.

General McReynolds, who formerly was FOA's Director of Mission in Indochina, will give a special report on refugee relief and resettlement activities in Vietnam.

"This will be the first such assembly of American women leaders to consider the serious refugee problem of the free world," Mrs. Houghton said. "Never before have the mass migrations of people reached the magnitude of those which this world has witnessed in the last two decades. In Europe, the Middle and the Far East some 35 millions of men, women and children have been made refugees -- victims of war, the aftermath of war, tyranny and persecution.

"Theirs is a problem that challenges the conscience of the Western world. It is a problem that calls for action from that part of the world that still believes in the dignity of the individual, and his need to have a home, to belong to a community, and to become a citizen in a free country with all the privileges and responsibilities that that involves.

"It is important that those who head these large and active women's organizations in the United States should be given the facts of the world refugee situation. They will be able to carry these facts back home, disseminating them to the members of their organizations and to women generally in all our communities, large and small.

"The one-day assembly will be an educational and informative program, describing who and where these refugees are, why they are there, what is being done and what can be done about them."

Since the end of World War II, national governments, inter-governmental and private agencies, and individuals throughout the free world have contributed to alleviating the suffering of refugees and escapees. The United Nations has been in the forefront in its concern over the problem, and the United States has played a major role both financially and in providing some of the top leadership in the various international endeavors to alleviate the refugee problem.

Shortly after Harold E. Stassen assumed direction of the Mutual Security Program, he created a new Office for Refugees, Migration and Voluntary Assistance and appointed Mrs. Houghton as its director. Under President Eisenhower's Reorganization Plan No. 7, there was centered in this office the operation of previously scattered U.S. Government activities in connection with the refugee problem. The FOA office acts in close harmony with the foreign policy objectives of the Department of State.

Mrs. Houghton, who was President of the General Federation of Women's Clubs from 1950 to 1952, will start her third year in her present position on April 1.

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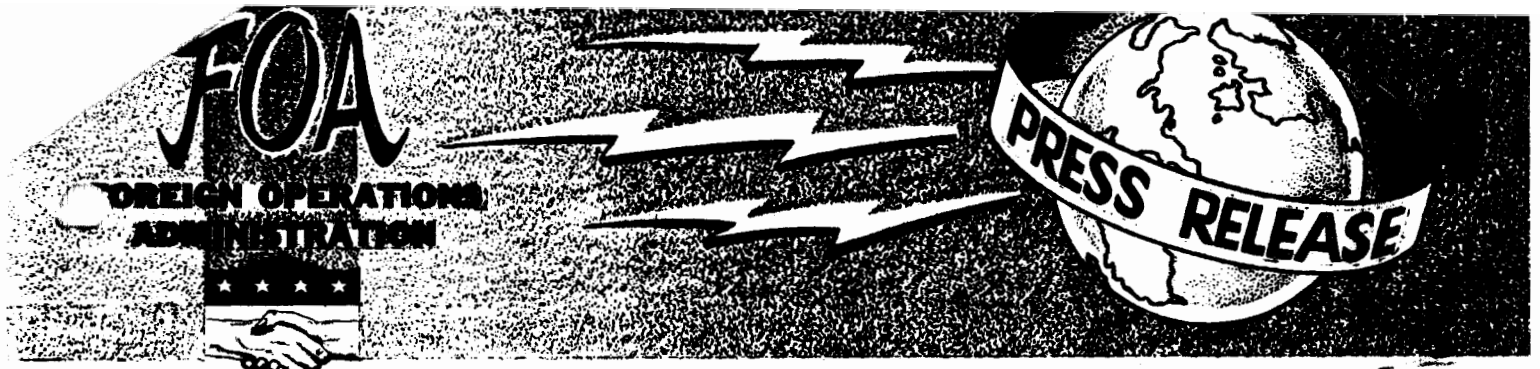

FOA No. 341

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For Immediate Release
Thursday, March 31, 1955

FOA'S GUARANTY PROGRAM
IS EXTENDED TO ECUADOR

WASHINGTON -- Americans interested in business ventures in Ecuador may now apply for guaranties protecting their investments against losses from inconvertibility or expropriation, FOA announced today.

In an exchange of notes between the two Governments, the Government of Ecuador has agreed to cooperate in the U.S. Government's guaranty investment program conducted through the Foreign Operations Administration.

Ecuador has become the fourth Latin Amrican republic and the 23rd foreign country to participate in the U.S. program which seeks to encourage new investments abroad by American private enterprise, investments which will help to build up the economic and defensive strength of free countries and support the further development of productive private enterprise.

Other cooperating governments are Austria, Belgium, China (Formosa), Costa Rica, Denmark, France, Germany (Federal Republic), Greece, Guatemala, Haiti, Israel, Italy, Japan, The Netherlands, Norway, Philippines, Portugal, Spain, Thailand, Turkey (convertibility only), United Kingdom (convertibility only), and Yugoslavia.

The U.S. objective is to enlist for other free nations of the world not only American capital, but the technical and managerial skills and the progressive spirit of American private enterprise.

Investments may be in cash, materials and equipment, patents, processes and techniques, or services. While they must be approved by the U.S. Government and the appropriate foreign government, there is no interference in the operation of the business.

Ecuador is a South American republic with an area of 106,000 square miles and a population of about 3,400,000. Its principal cities are Quito, the capital; Guayaquil, its chief port; Cuenca, Riobamba, Ambato and Loja.

- more -

The country's economy is basically agricultural, but only about 40 percent of the tillable land is under cultivation and amounts to an average of only one-half acre per capita. Agricultural expansion is limited by lack of irrigation facilities, capital, and knowledge of modern farming techniques.

Wild rubber is abundant and timber resources extensive. The timber wealth, apart from balsa, has not been developed because of a lack of transportation and skilled labor. Small quantities of petroleum, rubber, copper, lead, zinc, and cinchona have been produced. Deposits of salt, sulphur, marble and corundum exist.

Manufacturing is generally limited to small plants producing consumer goods. Bananas, coffee, cacao, straw hats and small quantities of textiles are the principal export products. The topography of the country implies difficulty and expense in construction of roads and railroads.

The United States has been operating a program of technical cooperation in Ecuador since 1942, when the Government of Ecuador requested technical help to improve its hospital facilities. Since 1949 a U.S. civil aviation mission has been working with the Ecuadorian Government to improve its civil aviation, and U.S. railway consultants are helping Ecuador toward better railway service. FOA is also supporting cooperative programs in agriculture, education, and manual arts and small business.

For the current fiscal year FOA has authorized $1,253,000 for technical cooperation in Ecuador.

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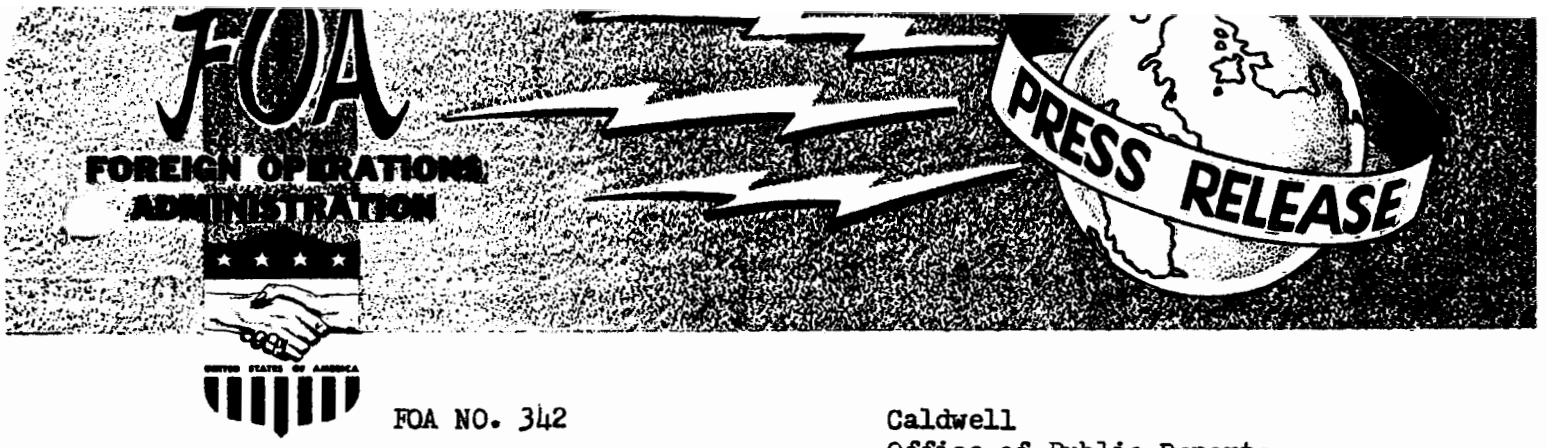

FOA NO. 342

For Immediate Release

Caldwell
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Rm. 409, 806 Conn. Ave., NW

STATEMENT BY GOVERNOR HAROLD E. STASSEN,
DIRECTOR, FOREIGN OPERATIONS ADMINISTRATION

(Following the hearings this morning, March 31, before the Senate Permanent Subcommittee for Investigations, Harold E. Stassen, Director of FOA, issued the following statement at 4:15:)

WASHINGTON, March 31 -- I will meet with the Committee or its Chairman at any time. Any employee of FOA will meet with the Committee or its chairman at any time.

The pertinent records in the entire Pakistan grain storage problem were made available to the Committee weeks ago. We have held up making any contract until the Committee concluded its investigation. No. U.S. funds have been expended to any of the bidders.

It does not appear fair or reasonable or wise for individual members of the staff of the Committee to be permitted to summon individual employees of FOA, without any committee members present, and without any counsel of his choice present.

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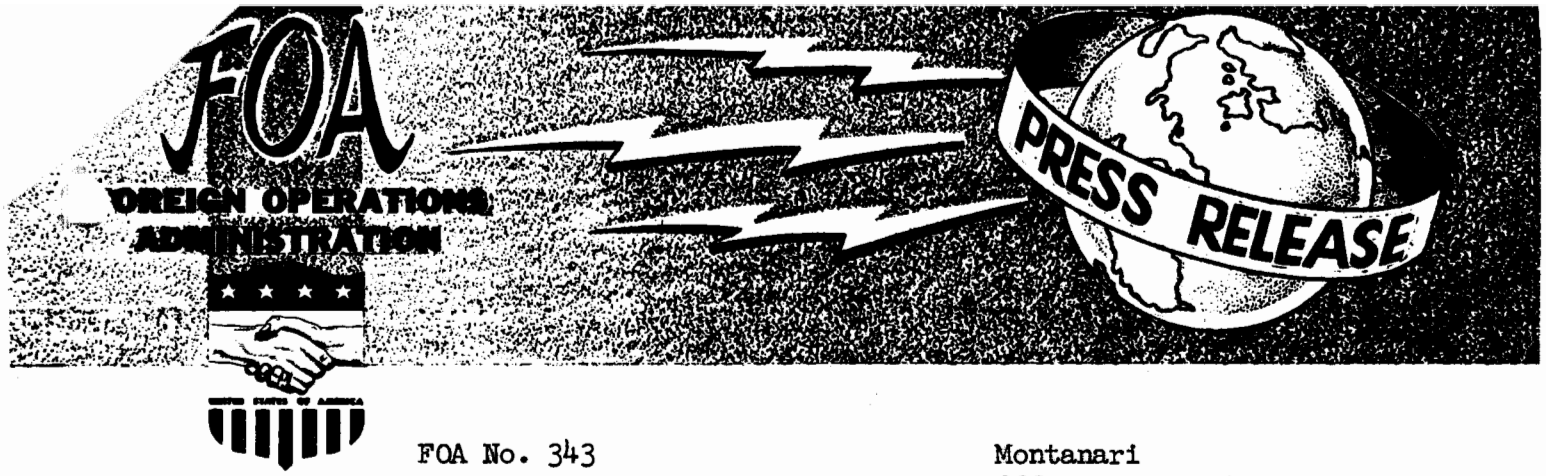

FOA No. 343

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For Immediate Release
Friday, April 1, 1955

"MARSHALL PLAN"
7th ANNIVERSARY

WASHINGTON -- Seven years ago, come April 3, the "Marshall Plan" was signed into law--following prolonged, sincere and vigorous debate, public, private and Congressional. Since that day, what results have been achieved, whereby Americans and Europeans can measure the success, of this utter innovation in international relations?

When the Economic Cooperation Administration (ECA) began operations on April 3, 1948, the people of war-battered Western Europe were nearly bankrupt; were hungry; were cold at the end of a hard winter; and in the aftermath of the end of World War II, remained frightened. Many Europeans, embittered or desperate at the social and economic chaos which followed World War II, either leaned toward totalitarianism to solve their troubles or feared that totalitarianism was inevitable: despite the fact they had just expended their blood and their wealth in fighting and defeating the totalitarianism of Hitler.

Industrial and agricultural production were far below prewar levels, and unemployment was cruelly high. Inflation was rampant. Reconstruction depended on supplies from the distant industrial countries whose production facilities escaped war destruction. But most European nations' foreign exchange coffers were drained empty and they were unable to purchase these supplies. Multiplying these man-made troubles came droughts, floods and bitter winter.

The recovery of Western Europe from the postwar position of destroyed industry and war-ravaged agriculture of 1947 can be measured in statistics: In the less than seven years since the start of the Marshall Plan, industrial production is up 57 percent and agricultural production has climbed 26 percent; steel and electric power up 63 and 68 percent; gold and dollar reserves up 85 percent; imports and exports up 35 and 75 percent; with total intra-European trade up 94 percent.

These accomplishments have resulted in better standard of living for

- more -

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the people of the 16 Western European countries which participated in the Marshall Plan. Their per capita consumption of goods has increased 21 percent over these seven years.

Significantly, as European economic health improved from 1948 to the present, the amount of U.S. economic aid steadily decreased. It has dropped from $5.9 billion in the 15 months ending June 30, 1949 down to an estimated $100 million in the current fiscal year--a drop of 98 percent.

Another indication of the solid success of the Marshall Plan has been the ability of Europe to shoulder an increasing part of the heavy burden of rearmament since the Communist aggression in Korea forced the free world to build up its defenses. Today, Western European nations are contributing over $11 billion annually to NATO--as much as they received in three years of Marshall Plan aid. While the U.S. has shipped some 7 billion dollars worth of weapons and hard goods to NATO, the European countries have contributed over 35 billion. In the three years following General Eisenhower's initial assumption of the NATO command, NATO ground forces had increased threefold, aircraft strength had increased by 2½ times.

When General George C. Marshall first proposed the idea of the Marshall Plan in June 1947, he declared the initiative must come from Europe. The initiative took the form of the Organization for European Economic Cooperation (OEEC) which, with other organizations born of the Marshall Plan, has been the instrument for the first real attempt of these diverse and historically divided member nations to work out common problems together. Foremost among the other unifying organizations which developed were the European Payments Union, clearing house for currency transactions, and the Coal and Steel Community, which created a common market for these basic commodities. The European Productivity Agency is a more recent creation.

As the free world tackles the problems of Asia's increased economic needs and aspirations, the "solid success" of the past cooperative programs for Europe holds even more significance for the free world.

Harold E. Stassen, Director of Foreign Operations, has declared that "the rebuilt economies, the strengthened currencies and productive capacity (of Europe) now mean that in the year ahead the development of Asia could, in part, be accomplished with assistance from Europe."

The statement has evoked widespread European interest in the possibility of providing capital and technical assistance to the underdeveloped nations.

Thus, as the seventh anniversary of the Marshall Plan approaches, the record shows this epoch-making program has helped to restore Europe to a position of economic, political and defensive strength, with a better standard of living and stronger resources against internal subversion, with freer and expanding trade. As a result Europe today is able to stand firmly with the United States in protecting our mutual security and advancing the cause of peace.

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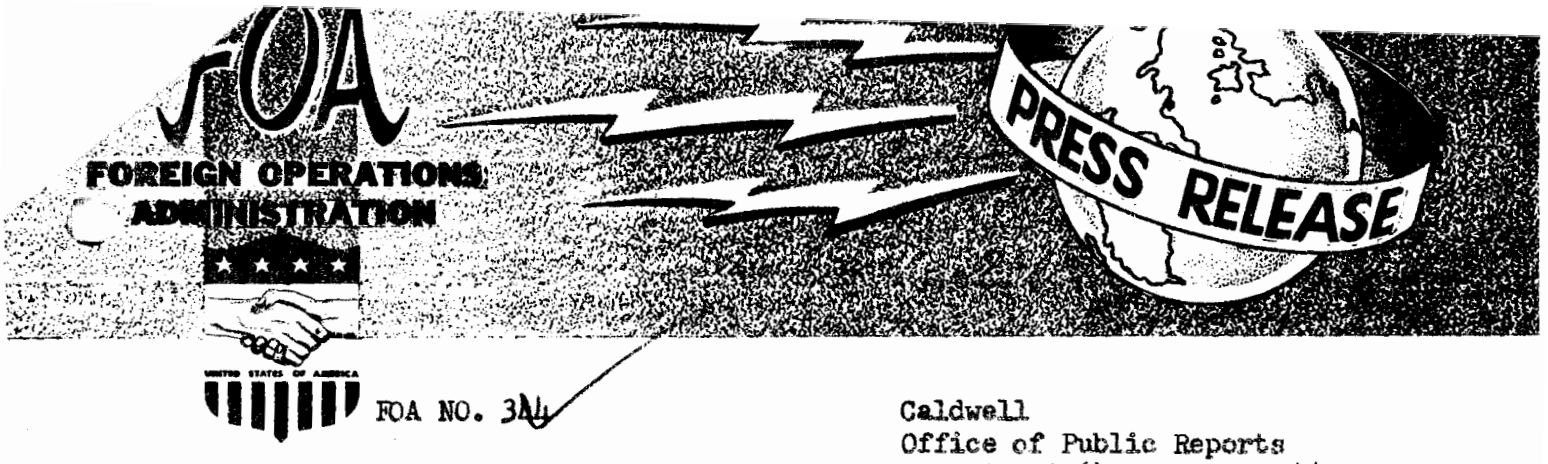

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For Immediate Release

STASSEN REPORTS TO CONGRESS
ON SHIPMENTS TO SOVIET BLOC

WASHINGTON, April 1 -- FOA Director Harold E. Stassen today notified Chairmen of the six congressional committees concerned of a presidential determination that aid under the Mutual Security Programs continue to NATO partners--Italy, United Kingdom, France and The Netherlands. These countries had made commitments prior to January 23, 1952, effective date of the Battle Act provisions to ship materials listed in that Act to the Soviet Bloc. During the past year $2.4 million worth of industrial commodities was shipped as part of these prior commitments.

None of the shipments, Mr. Stassen stated, included any arms, ammunition, implements of war or atomic energy materials. None of the shipments went to Communist China, but were sent to Poland, Czechoslovakia, Hungary and Bulgaria.

Such Presidential determinations are made periodically and are based on Section 103(b) of the Mutual Defense Assistance Control Act of 1951 (Battle Act). This section provides that the President "may direct the continuance of assistance to a country which permits shipments of items other than arms, ammunition, implements of war, and atomic energy materials when...the cessation of aid would clearly be detrimental to the security of the United States."

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FOREIGN OPERATIONS ADMINISTRATION

OFFICE OF THE DIRECTOR

Washington 25, D.C.

April 1, 1955

The Honorable John L. McClellan
Chairman, Committee on Government
Operations
United States Senate

Dear Mr. Chairman:

It would appear from the newspaper stories that your staff has misinformed you in the Pakistan grain storage matter. No contract has been let with anyone, and the bids have been held up ever since your first letter.

It would further appear that your staff has not brought to your attention my letters to you, copies of which are enclosed.

You may be certain of my continued willingness to cooperate with you and your Committee and my willingness to meet with you or with the Committee at any time.

Sincerely yours,

/s/ Harold E. Stassen

Enclosures

FOREIGN OPERATIONS ADMINISTRATION

OFFICE OF THE DIRECTOR

Washington 25, D.C.

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March 28, 1955

The Honorable John L. McClellan
Chairman, Committee on Government
Operations
United States Senate

Dear Mr. Chairman:

We have further reviewed the Pakistan grain storage project and have not found any irregularities or other information which would cause us to do other than proceed with the negotiation of a contract as recommended by our Mission in Pakistan.

If your review of the files which we have opened to your Committee and your consideration of other statements have brought any adverse view, I would appreciate being advised, as otherwise we will proceed.

Sincerely yours,

/s/ Harold E. Stassen

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FOREIGN OPERATIONS ADMINISTRATION

OFFICE OF THE DIRECTOR

Washington 25, D.C.

February 19, 1955

The Honorable John L. McClellan
Chairman, Committee on Government Operations
United States Senate

Dear Mr. Chairman:

Acknowledging your letter of February 16th, if there is any additional information which you wish in the Pakistan grain storage matter, I will be pleased to have any member of your staff, for whose respect for the confidential nature of information in relation to the Pakistan Government you will accept responsibility, review the documents with the General Counsel of FOA.

Or, if you prefer, I will ask our General Counsel's office to bring any documents to you personally for joint review and return. I trust you will agree that documents regarding the Pakistan Government should not be out of the possession of the Executive Branch.

If you have any further questions, I will confer personally with you upon my return from the SEATO Conference trip, and in the meantime the contract will not be concluded.

Sincerely yours,

/s/ Harold E. Stassen

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FOREIGN OPERATIONS ADMINISTRATION

OFFICE OF THE DIRECTOR

Washington 25, D.C.

February 11, 1955

The Honorable John L. McClellan
United States Senate
Senate Office Building
Washington, D. C.

Dear Senator McClellan:

In response to your inquiry of February 4th and your earlier letter of January 21st, may I assure you that I will cooperate thoroughly in making available the information on the Pakistan Grain Storage Project.

Because of the many claims and counter-claims made by the various bidders in this situation, I have personally reviewed the matter. During this review I have held up the letting of a contract.

I am enclosing herewith the following documents:

1. The proposal and specifications.
2. FOA Airgram (TOUSFO A-314), September 14, 1954, from USOM/ Pakistan, together with attachments referred to in the text of the Airgram.
   a. Bids received are listed in paras. 4(1) - (7) of the airgram, and are labeled 2(a) in the enclosed materials.
   b. The recommendation of our mission in Pakistan, arrived at after consultation with professional engineering advice, may be found in para. 2(a) of the airgram.
   c. Other documents and enclosures referred to in the airgram are labeled according to number in the airgram.
3. The transcript of a conference held on December 21, 1954.
4. A letter from Senator Stuart Symington, January 5, 1955.
5. A letter from John A. Marshall Co., January 11, 1955.
6. A letter from Black, Sivalls & Bryson Export Corp., January 10, 1955.
7. A telegram from the Butler Manufacturing Co., January 11, 1955.
8. A letter from the Butler International Company, January 6, 1955.
9. A telegram from W. G. Herron, TACCO, January 19, 1955.
10. A color photo reproduction of an architect's drawing of the facility TACCO proposes to construct.

At the conclusion of your consideration I would appreciate the return of the documents.

I would be pleased to be informed of any conclusions your Committee reaches and will supply any additional information that you may request.

Sincerely yours,

Enclosures

/s/ Harold E. Stassen

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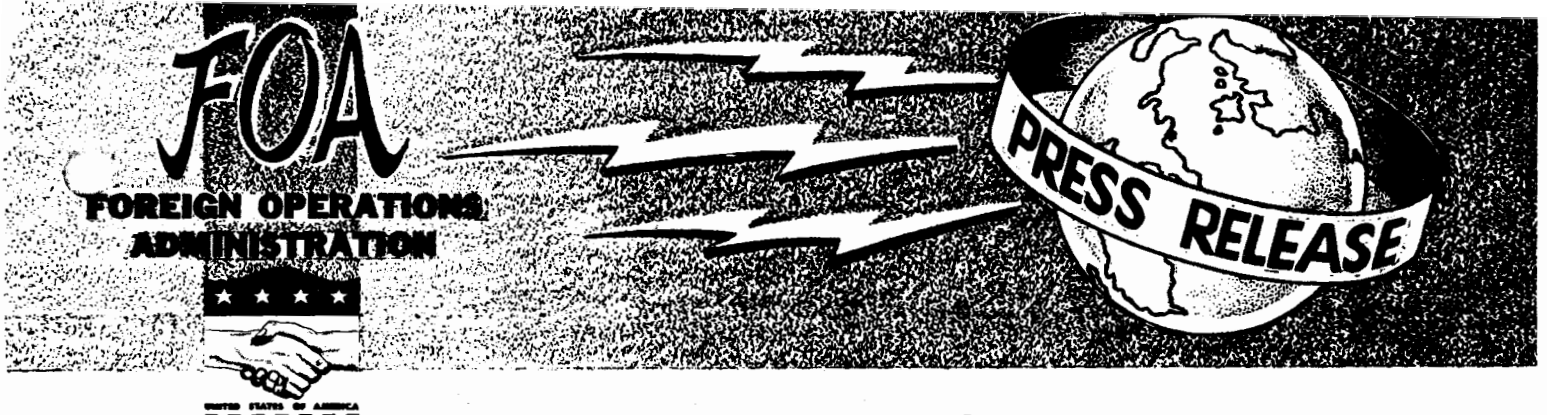

FOA No. 345

Immediate Release
Monday, April 4, 1955
(Also Released in Tehran)

Barkley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

LOAN OF $32 MILLION
MADE TO IRAN BY FOA

WASHINGTON -- An agreement for a $32 million FOA loan to Iran was announced today by the Foreign Operations Administration.

The agreement was signed by Iranian Ambassador Nasrollah Entezam and Major General Glen E. Edgerton, U.S. Army retired, chairman of the board and president of the Export-Import Bank of Washington.

FOA loans, made under provisions of Sec. 505 of the Mutual Security Act, are negotiated by the U.S. Department of State and FOA. The FOA is responsible for disbursement of the loans and other administration is handled by the Export-Import Bank.

Sec. 505 provides that of funds made available to FOA this year, including foreign currencies received from the sale of surplus agricultural commodities, the equivalent of $200 million or more in assistance to foreign countries is to be in the form of loans.

The Iranian loan, which is repayable in U.S. dollars over a 25-year period at an average rate of interest of 2.41 percent, is part of FOA's $74.3 million allotment to that country for technical cooperation and development assistance during the current fiscal year.

The loan funds will help Iran carry out its extensive plan for economic development.

In addition to the $74.3 million in FOA funds, including a grant of $42.3, the U.S. over-all program of economic assistance to Iran during the current year for a total of $127.3 million, also includes a $53 million Export-Import Bank loan largely for development projects.

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Detailed plans for projects will be formulated by the Government of Iran and negotiations between Iran officials and a mission from the Export-Import Bank will begin in the near future.

The over-all $127.3 million program of American aid was announced last November 2, when it was agreed that assistance to Iran would be partly in the form of grants and partly in the form of loans.

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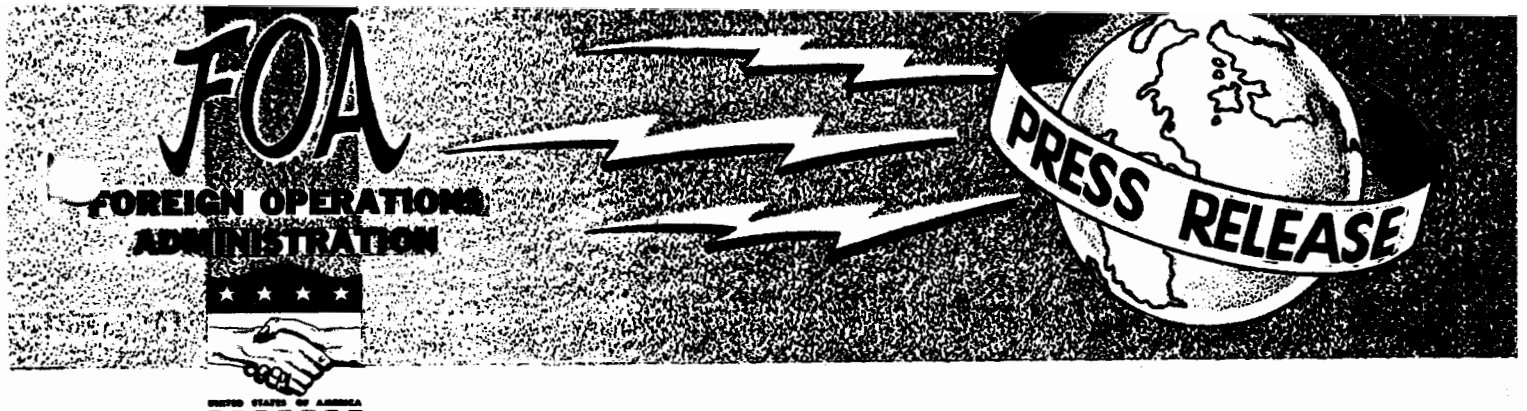

FOA No. 346

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release
Tuesday, April 5, 1955

VACCINE IS RUSHED
TO SURINAM BY FOA

WASHINGTON -- FOA said today it is rushing vaccine and other medical supplies to Surinam to fight an outbreak of rabies among cattle infected by vampire bats.

The supplies will leave New York tonight (Tuesday) aboard a Pan American plane bound for Surinam, a self governing member of the Netherlands Realm on the northeast coast of South America.

FOA had already sent Dr. Donald Bush, veterinarian with the FOA Mission to Haiti, to Surinam to help fight the disease.

The Government of Surinam, through the joint U.S.-Surinam Cooperative Service, asked for assistance in combating the disease which so far has affected some 5,000 beef cattle in the Suriname District. Officials there have asked for information as to the best method to control the Desmodus, a South American genus of blood-sucking bat.

All Foreign Operations Administration personnel in Surinam are part of a combined field party who are attached to one general Servicio operation working on various activities in support of a 10-year Surinam development program which is financed by Surinam and the Netherlands Government.

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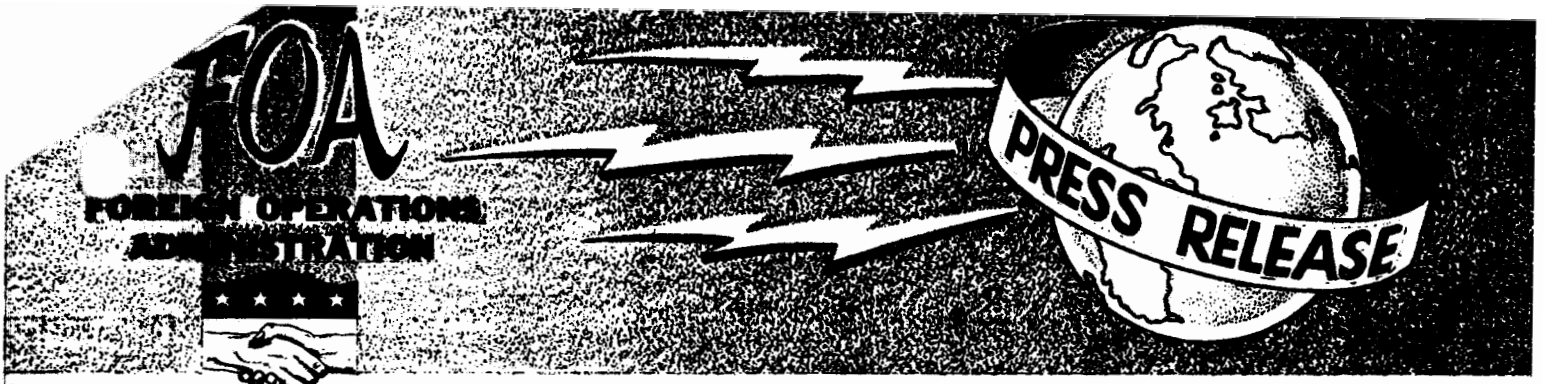
FOA
FOREIGN OPERATIONS ADMINISTRATION

PRESS RELEASE



FOA NO. 347

Caldwell
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release

Attached is a memorandum issued today, Wednesday April 6, by FOA Director Harold E. Stassen in hearings before the Senate Permanent Subcommittee on Investigations, and a copy of a letter setting forth procedural matters sent by Stassen to the Chairman of the Committee on April 4.

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Senate
John Laxalt

4/6/55

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Memorandum for Appearance before the Senate Permanent Subcommittee on Investigations on Wednesday, April 6, 1955, at 10:00 a.m.

Background

Pakistan, with its strategic location and its major resources, is a very important participant in the United States Mutual Security Program conducted with the free nations of the world under the partnership policy of President Eisenhower.

Pakistan was established as a sovereign state on August 14, 1947, through a partition at the time of the ending of the colonial status. It has a population of approximately 78 million and consists of two separate geographical areas, West Pakistan bordering on the Himalaya Mountains in central Asia and including the historic Khyber Pass, and East Pakistan, immediately east of Calcutta off the Bay of Bengal. Pakistan is a member of the Southeast Asia Treaty Organization and has entered into a mutual defense agreement with the Government of Turkey.

The principal production of Pakistan is agricultural. Its crops are affected to an extreme extent by the monsoon weather, and large variations in the amount of production occur from year to year.

Under these circumstances, it was clear that provision for grain storage facilities would be an important part of the program of strengthening Pakistan. This would permit carrying over crops when they were abundant on the one hand and avoiding the great scarcity of food in the years of crop failure.

Therefore, a project was developed to establish grain storage facilities in Pakistan. It did not contemplate the United States building

or attempting to build great quantities of storage facilities. Rather it contemplated only that the United States would assist in the initial construction of a pilot project, and at the same time help in training Pakistan contractors, Pakistan engineers, and Pakistan personnel in the sound construction, operation, and management of grain storage facilities. A proposal was presented to prospective bidders under which they were to design facilities of three demonstration elevators that would be suitable for the conditions in Pakistan. They were also to indicate the cost of the machinery and imported equipment for these demonstration installations and to indicate the manner in which they would proceed to train the Pakistan contractors, engineers, and other personnel for additional construction and for the operation and management of an expanded set of storage facilities throughout the country.

In addition, the Ralph M. Parsons Engineering Company, which has a general contract with FOA to work with the Pakistan Government and the United States Operations Mission in carrying out a technical cooperation program, was asked to provide engineering services to advise our Mission in this project.

Of the various bidders who submitted proposals, the California company was selected by our Mission and the Ralph Parsons Company, working in conjunction with the technical personnel of the Pakistan Government, as offering the design and equipment most suited for the project. The Mission recommended then that negotiations proceed with this company.

At this point, the charges and counter-charges, claims and counter-claims, began.

There were claims by rival bidders that the California company did not have the competence to do the job, that its bid was higher, that their designs should also have been acceptable.

There were claims that the negotiating was being held up because of the influence of the Missouri companies who had lost out in the design contest.

From this situation, the matter came to my personal attention. There were sincere differences of views between our Mission in Pakistan and units in our Washington office as to the best course of procedure and the most desirable action. I believe that each of these views expressed within my organization were sincere and motivated by integrity. It is not unusual for different views to be held by different members of an organization, and it is the duty of the senior executive to make the decision, and when made, he is in turn responsible for the results. Members of Congress of both political parties expressed support for various of the bidders, in all instances in a proper manner. From my review, I concluded that the most desirable course was to follow the recommendation of our Mission out in the field, which also had the support of the professional engineer qualified in grain storage matters, and which had been discussed with the Pakistan Government through its technical personnel.

I concluded that to overrule the Mission in the field and to overrule the engineer would cause a long delay, would result in a structure not

as well designed or as strongly built, and knowing of the very high monsoon winds prevalent in Pakistan and the unusual weather, I concluded that the higher quality design and stronger structure would in the long run be the most economical for the United States and would fit the kind of pattern for future construction within Pakistan, and was in our mutual national interest.

This decision on my part was questioned by letter from the Chairman of this Committee, and I thereupon held up all action on it, instructed my staff not to enter into a contract with any bidder, sent the pertinent records to the Chairman on February 11th, and instructed my staff to cooperate in the investigation.

Pressed by the needs in Pakistan and the bidder concerned to make a decision, I wrote to the Chairman on March 28th, inquiring whether any adverse information had been developed by the investigation.

As I now review the situation, the question remains as to what action shall be taken.

I have concluded that in view of the entire developments, any action taken favorable to either the California or the Missouri bidder will cause continuing claims of favoritism, or political pressure, or of improper action committed by one section or another of my organization.

Under these circumstances, I have concluded, if the Committee has no objection, that the best course for the United States to follow is to now reject all bids, employ a well qualified, reputable United States engineering firm to restudy the project, and to draw up complete detailed specifications for a revised project.

These revised specifications and detailed designs will then be opened to bids. These bids will then be comparable as they will cover the same specific details and the same design. The delay necessary to consummate this approach, even though undesirable, appears to me preferable to any other course of action available.

I do not wish to enter into any contract upon which claims of unfairness or favoritism or pressure can be made. As the members of this Committee are aware, the Foreign Operations Administration has conducted a very extensive program these past two years, involving a number of billions of dollars in activities in over fifty countries of the free world. There has not been the slightest breath of scandal on any part of that operation. I am proud of that record. I have great confidence in the able, loyal, and devoted employees of the Foreign Operations Administration who have carried on these activities, frequently under extreme handicaps and complex conditions. They have discharged their duties with the conviction that they were advancing the objectives of the United States and of its foreign policy.

Rather than have one single contract consummated that would raise a question upon that record, I intend to take the course of action I here describe.

If the Committee in the further course of its investigation finds any misconduct on the part of any employee of FOA, I will appreciate being promptly advised and I will take appropriate action. In my own investigation, I have found no indication of misconduct and only the

indication of sincere differences of views and of judgments which are fully understandable in this type of situation. If the Committee wishes at any time to make any other recommendation to me, I will give it careful consideration.

I am convinced that we are doing important work which serves the people of the United States as well as people of the free world. It is in this spirit that we have been and are willing at all times to cooperate with this Committee and the other Committees of the Congress.

April 4, 1955

The Honorable John L. McClellan
Chairman, Committee on Government Operations
United States Senate

Dear Mr. Chairman:

Following up on our constructive conference this morning, I will plan to meet voluntarily with the Committee at 10:00 a.m. on Wednesday, April 6th.

In the meantime, in accordance with the decision I made in February, I intend to continue to withhold letting of a contract to any of the contesting bidders in this transaction.

FOA will continue to cooperate with you and with the Committee in this and other matters along the following lines:

1. Whenever the Committee or the Chairman wishes to have members of the staff of FOA questioned by members of the staff of the Committee, the Chairman of the Committee will write to the Director of FOA, stating the names of the members of the FOA staff concerned. Convenient times and places for questioning will then be arranged between the Committee staff and the office of the General Counsel of FOA.

2. Each member of the staff of FOA shall have the right to have present with him counsel of his choice for such questioning and shall have the right to receive a copy of the transcript of such questioning if one is taken.

3. If the member of the FOA staff chooses to have the General Counsel's office provide counsel, this shall be agreeable unless the Chairman of the Committee specifically states that counsel of the FOA organization is not to be present. In the latter event the employee may retain private counsel of his own selection. If it is later apparent that the employee

has been entirely honorable in his actions, FOA will pay the private counsel selected a reasonable fee for his services.

4. If the issue arises in any such questioning of the application of the President's directive as to confidential and privileged conversations within the Executive Branch, or of classified information affecting another government, or of other classified information affecting the security of the United States, such issue will be resolved between the Chairman of the Committee and the Director and will not be the subject of contention during the staff questioning of the employee.

5. In any event, either a representative of the FOA General Counsel's office, or if the Committee Chairman requests such representative be not present, then other counsel representing the Executive Branch shall be entitled to be present at any such questioning, for the purposes involved in Item 4 above.

6. Upon request from the Chairman of the Committee, official documents of the United States Government, as appropriate, will be presented through the General Counsel's office of FOA.

7. Correspondence between Members of Congress and the Director of FOA will be furnished to the Committee if the Member of Congress writing the letter gives his consent.

8. The Director and any employee of FOA will also continue to voluntarily meet with the Committee itself at any reasonable time and to otherwise cooperate with the Chairman and the Committee in fulfilling their respective responsibilities in the government.

I will welcome any further suggestion from you regarding this informal outline of the basis for a fair and orderly working relationship. In the meantime, the additional information agreed upon this morning in this particular situation will be forwarded to you as soon as it is assembled.

Sincerely yours,

/s/ Harold E. Stassen

Wash

U. S. INFORMATION AGENCY
Washington 25, D. C.

REpublic 7-8340
Extension 2747 or 4455

FOR THE PRESS No. 94

Advance Release: For Thursday Morning Papers, April 7, 1955

President Eisenhower's deep devotion to peace is the "brightest hope for the world" that the East and West will get together on world disarmament, Harold E. Stassen, Special Assistant to the President for Disarmament, said yesterday in an international press conference conducted by the U. S. Information Agency.

Stassen, who was named recently to the new post, appeared as the guest on "Press Conference--USA" a weekly Voice of America feature. He was interviewed by three Washington correspondents, Neal Stanford of the Christian Science Monitor; Richard Iwatate of the Kyodo News Agency of Japan; and Max Freedman of the Manchester Guardian.

Responding to a question concerning his "frank estimate" of the chances that the East and West will get together on world disarmament, Stassen said that President Eisenhower was determined to find the way to build the peace.

"This devotion, this determination which shows up in so many different ways in his actions," Stassen declared, "is one of the brightest hopes for peace."

The new Presidential Assistant, who has been termed by many "the Secretary for Peace," said that he believed the United States should be able to reach a policy that offers hope of something better than a continuing arms race with these new modern weapons.

Stassen poimted out that there are two sets of circumstances which in history have frequently surrounded the tragic outbreak of war.

"One of them," he said, "is the crescendo climax of an arms race. The

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other one is a one-sided weakness or a unilateral disarmament."

Pointing out that there is nothing in history to recommend a continuing arms race or a one-sided weakness, Stassen said it would be his job to study possible solutions between the two extremes and bring to the President recommendations for the policy of the United States.

Stassen said that President Eisenhower's United Nations speech advocating the peaceful use of atomic energy "has been a very important initiative in endeavoring to ease world tensions" and pointed to some of the steps being taken in this field. He listed the current study of a group of young scientists from many of the countries of the world at the Atomic Energy Commission's school in Chicago, the distribution of books on peaceful use of the atom, and the arrangement to sell to India a quantity of heavy water for experiments.

Stassen, who is continuing temporarily to serve in his post as Director of the Foreign Operations Administration, said that the Administration's proposal for assistance to the Far East will include a request that the President be granted "great discretion" as to the manner in which the funds are expended.

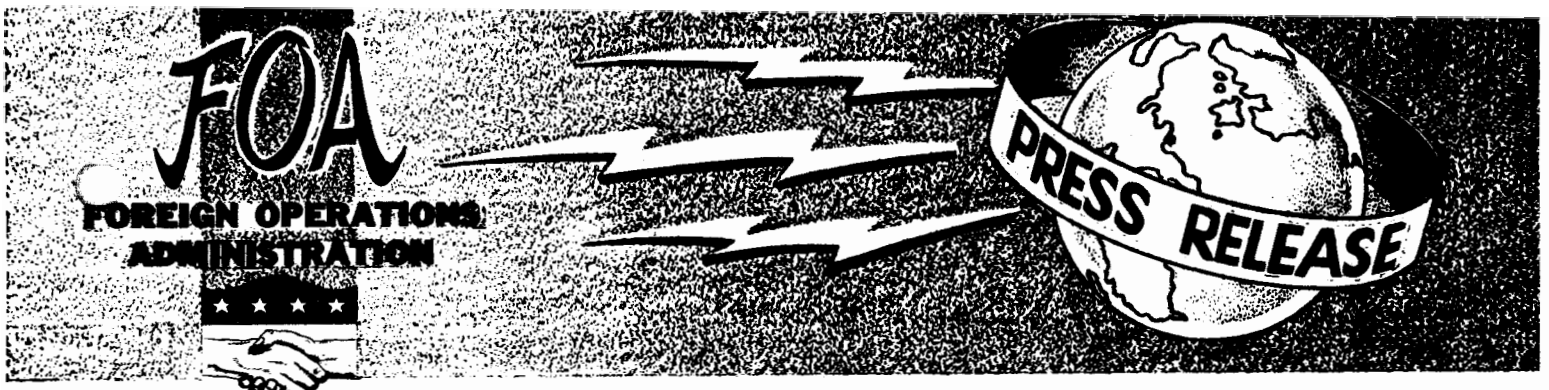
"The objective (of the aid program)", Stassen said, "will be to accelerate the economic development of the countries of Free Asia."

He added that the United States would look to "Asian initiative" for details of exactly what kind of measures to undertake and then seek Presidential approval for the projects.

Stassen said that the program "should move forward upon the foundation of the Colombo Plan Consultative Group" and that the problems of Asia could not be compared with the situation in Western Europe after the war. "It's a different problem, a different set of circumstances, and it will require a different type of organizational approach," Stassen said.

The FOA Director pointed out that the development of trade for Asian countries "with each other, with Europe, within the sterling area, and with the dollar area" is very important for their economic advance. He added that the time has come for some advance in (Asian) industrialization.

Stassen contrasted the free world economy with that of the Communists, noting that the free world is having success in agriculture and can now build a greater industrial advance at a time when the totalitarian communist system of economy is having trouble in agriculture.



FOA No. 348

For Release in A.M. Papers of
Thursday, April 7, 1955
(Also Released in Tokyo)

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

FOA TO AID JAPAN
WITH NEW PROGRAM

WASHINGTON, April 6 -- FOA announced the conclusion in Tokyo of a technical cooperation agreement with Japan aimed at strengthening that nation's economy through increased efficiency in industry, agriculture and commerce.

It is the first agreement FOA has concluded with Japan on an operating program in that country.

The technical cooperation agreement covers operations of a Japanese Productivity Center for which FOA has allotted an initial $200,000 with Japan putting up a like amount in local currency. FOA has available a total of $500,000 appropriated by the last Congress to begin the technical cooperation program in Japan.

The center was officially opened by Japan in February but FOA financial support was not possible until the formal agreement had been concluded and signed.

Patterned after similar programs in Europe under the Marshall Plan, the technical assistance program in Japan is designed to increase productivity with its attendant benefits, including an expansion of Japan's trade, particularly in the Far East, and increasing the purchasing power of Japan.

FOA will provide technical aids and send American experts to work with the Japanese, and numbers of Japenese industrialists and technicians will be brought to the U.S. to observe and study American methods in industry, mining, labor, transportation, agriculture and related fields.

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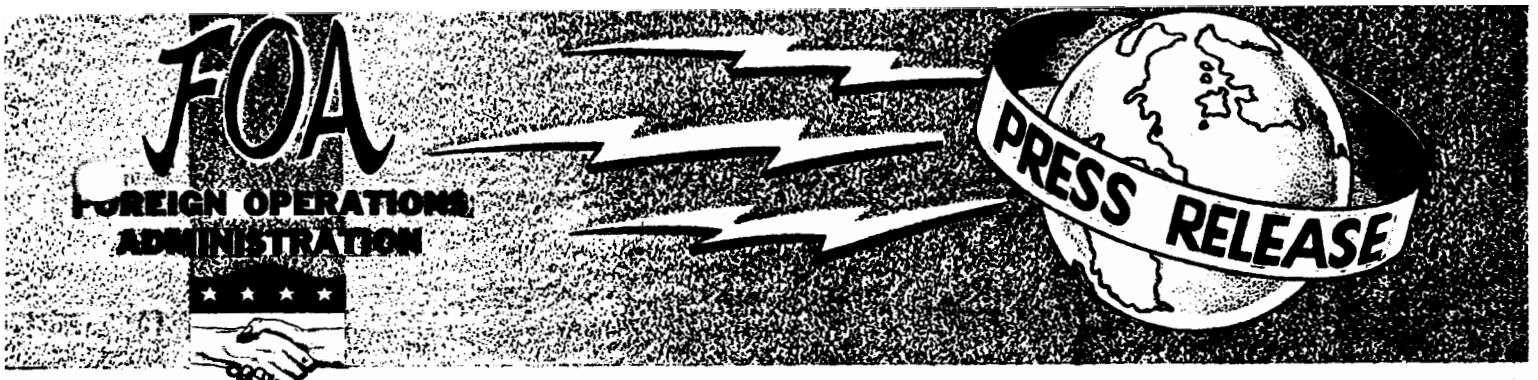

FOA No. 349

For Immediate Release
Thursday, April 7, 1955

Hughes
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

FOA GUARANTY AWARDED
SOCONY-VACUUM OIL CO.

WASHINGTON -- Investment guaranties totaling nearly $11 million have been given Socony-Vacuum Oil Company, Inc., covering a substantial addition by the firm to its investment in an Italian subsidiary, FOA announced today.

The company, owner of Socony-Vacuum Italiana, S. p. A. in Naples, Italy, is making an additional investment so that the Italian affiliate can install a new catalytic cracking unit.

The FOA investment guaranty program of which Socony-Vacuum is availing itself is an insurance arrangement to provide protection to U.S. investors against (1) the risk of being unable to get their money out of foreign countries because of currency exchange restrictions and (2) the risk of loss from their investments being taken over by foreign governments.

The program is one phase of the Government's continuing effort to interest American private enterprise in new or additional foreign business ventures which will help strengthen the economies of free countries.

Two types of protection, officially classified as "convertibility" insurance and "expropriation" insurance are available to U.S. firms over 20-year periods in exchange for fees similar to insurance premiums.

The guaranties purchased by Socony-Vacuum are of both types. Against loss from expropriation or confiscation the firm will receive protection of $3,617,000, and against inconvertibility it will receive a maximum protection after three years of $7,234,000.

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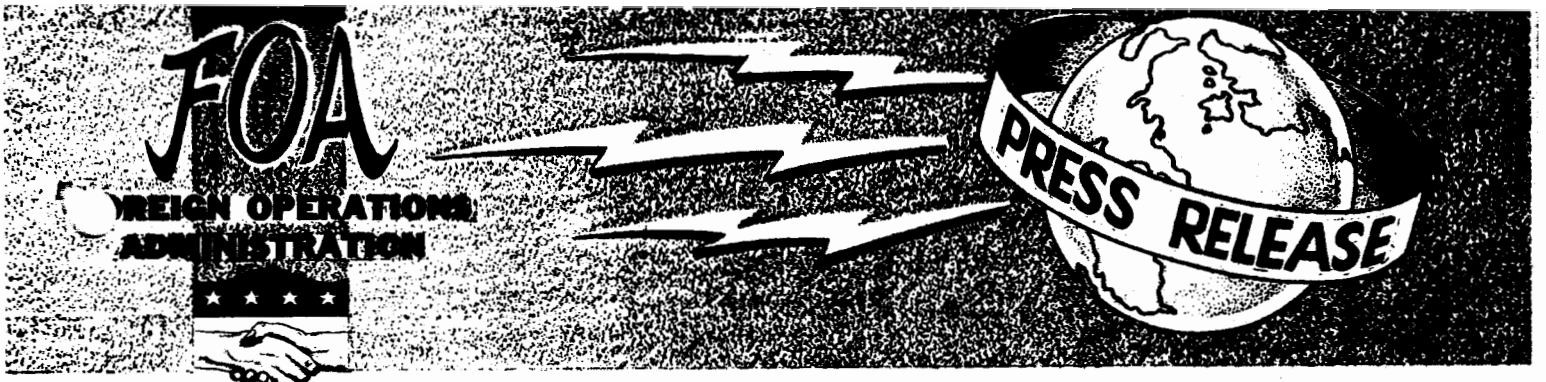

FOA
FOREIGN OPERATIONS ADMINISTRATION

PRESS RELEASE

FOA No. 350

Barkley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

Immediate Release
Thursday, April 7, 1955
(Also released in Karachi)

FOA TO AID PAKISTAN
WITH CIVIL AVIATION

WASHINGTON -- Plans for helping Pakistan develop a modern civil airways system which will benefit that country as well as U.S. flag carriers operating on international routes in Southeast Asia were announced today by FOA.

Civil aviation is important to the new South Asian nation since the east and west portions of Pakistan are separated by about 1,000 miles of Indian territory.

The Foreign Operations Administration has agreed to assist Pakistan in training expert maintenance personnel; in installing modern radiotelegraph facilities and in establishing new upper air sounding stations at Karachi, the capital, Dacca and Lahore.

In addition, the Nawabshah airport in Sind province will be converted into an alternate international airport to the Karachi civil airport by providing an improved runway system.

The new airways installation and navigational aids will be a direct contribution to the safety of operation of international routes by U.S. flag carriers.

FOA will contribute 3,296,000 Pakistani rupees, the equivalent of $998,850, toward the program. The Government of Pakistan has allocated 810,000 rupees and will also use resources of the country's Department of Civil Aviation and the Meteorological Department, including staff, buildings and organization facilities.

Under the personnel training program, the Pakistan Aviation and Meteorological Departments will send representatives to the U.S. for training in handling modern scientific equipment. They will spend eight to ten months at the U.S. Civil Aeronautics Administration's airway operations and electronic training center at Oklahoma City, Oklahoma.

On-the-job training will be provided other Pakistani personnel by three technical experts the CAA will send to Pakistan. They will train supervisory personnel, rehabilitate and modernize existing equipment and advise in ordering new equipment.

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Until the three regularly assigned CAA experts arrive in Pakistan in June, CAA will have an engineer in that country to expedite start of the program. Upon his return to the U.S., he will help guide CAA activities in procuring equipment from U.S. manufacturers.

The aviation project is part of the FOA's program of $65,500,000 of defense support projects in Pakistan proposed for the current fiscal year.

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M/PR - Newman, J.
Rm. 411-M

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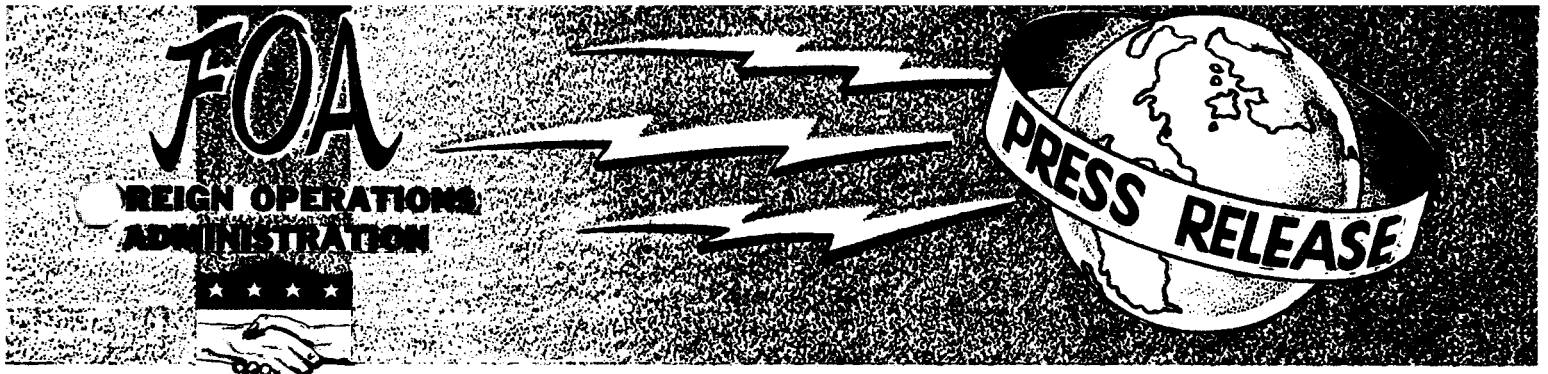

FOA No. 351

For Immediate Release
Thursday, April 14, 1955

Barkley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

$10 MILLION LOAN AGREEMENT
IS SIGNED BY GREECE AND FOA

WASHINGTON -- Signing of an agreement for a $10 million long-term loan to Greece was announced today by the Foreign Operations Administration.

The loan is part of an FOA allotment of $16.2 million in defense support funds to Greece for the current fiscal year. The remainder of the funds will be an FOA grant.

FOA makes defense support allotments to countries with which the U.S. has military agreements. The funds are used to strengthen the economy of the cooperating country and thereby enable it to strengthen its defenses.

The loan agreement was signed by the Greek Ambassador, George V. Melas, and Maj. Gen. Glen E. Edgerton, U.S. Army retired, chairman of the board and president of the Export-Import Bank of Washington.

FOA loans, made under provisions of the Mutual Security Act, are negotiated by the U.S. Department of State and FOA. FOA is responsible for disbursement of the loans, and other administration is handled by the Export-Import Bank.

Sec. 505 of the Act provides that of funds made available to FOA this year for assistance to foreign countries the equivalent of $200 million or more, including foreign currencies received from the sale of agricultural commodities, is to be in the form of loans.

The Greek loan is repayable in 40 years at four percent interest if repaid in Greek drachmas and at three percent if repaid in U.S. dollars.

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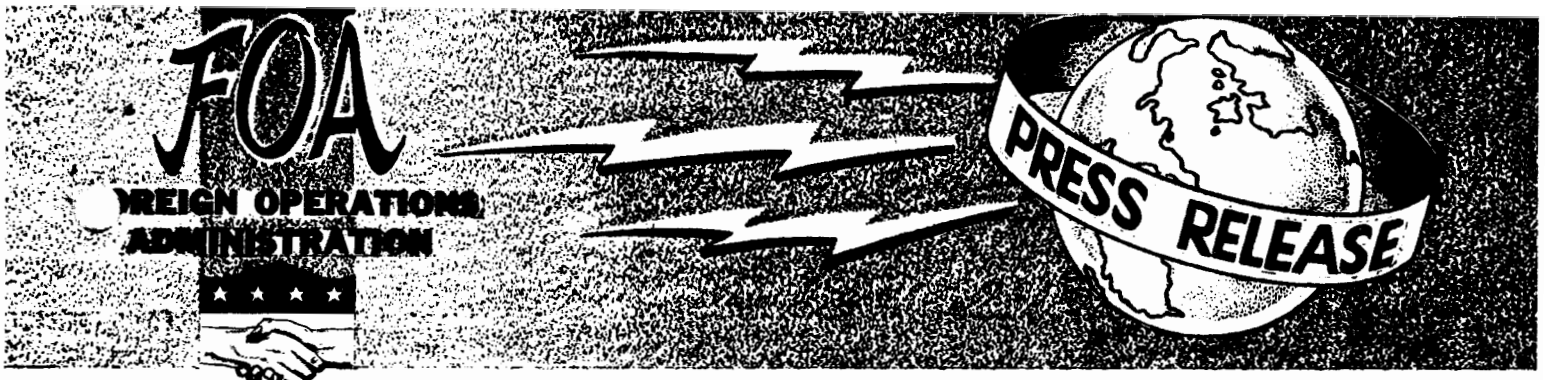

FOA No. 352

For Release to A.M. Papers of
Friday, April 15, 1955
(Also Available in Ankara)

Barkley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

M. LEON DAYTON RESIGNS
AS FOA CHIEF IN TURKEY

WASHINGTON, April 14 -- Foreign Operations Director Harold E. Stassen today announced the resignation of M. Leon Dayton, director of the FOA Mission to Turkey for the past three years and before that chief of the Mutual Security Agency's special mission to Italy for four years.

Stassen commended Dayton for his long and capable service in the overseas assignments with the Foreign Operations Administration in Turkey and with MSA, predecessor of FOA, in Italy.

"Mr. Dayton has been overseas for seven consecutive years in two vital posts in U.S. programs of economic assistance to our friends abroad," Stassen said.

"His leadership of the FOA mission in Turkey has been of the highest type as was his leadership of the Marshall Plan and mutual security programs in Italy when that country was in greatest need of economic help."

Dayton resigned to return to the U.S. to continue a personal career which was interrupted in 1943 when he first went abroad as civilian refugee representative to the U.S. Army in North Africa, Sicily and Italy.

Dayton, 51, is a native of Bellvue, Idaho. He attended school in Portland, Oregon, and was in business there until 1943.

He went to London in 1944 for the Red Cross and following the Allied landings in France he became general field supervisor for Europe and directed Red Cross civilian operations in France, Belgium, Holland, Germany and Austria.

At the conclusion of hostilities Dayton took charge of the Red Cross mission to Poland but because of Soviet interference he recommended that the mission be closed. When this was done in 1947, the U.S. State Department sent him to Vienna to plan the U.S. relief mission to Austria.

- more -

Three months later he was assigned to head the U.S. relief mission and interim aid program in Italy. He helped launch the Marshall Plan there, became the director in June, 1950, and continued in the post when the Marshall Plan was succeeded by the mutual security program.

He was named chief of the MSA mission to Turkey in June, 1952, and continued in the post there when MSA was succeeded by FOA.

Announcement of a successor to Dayton in Turkey will be made in the near future.

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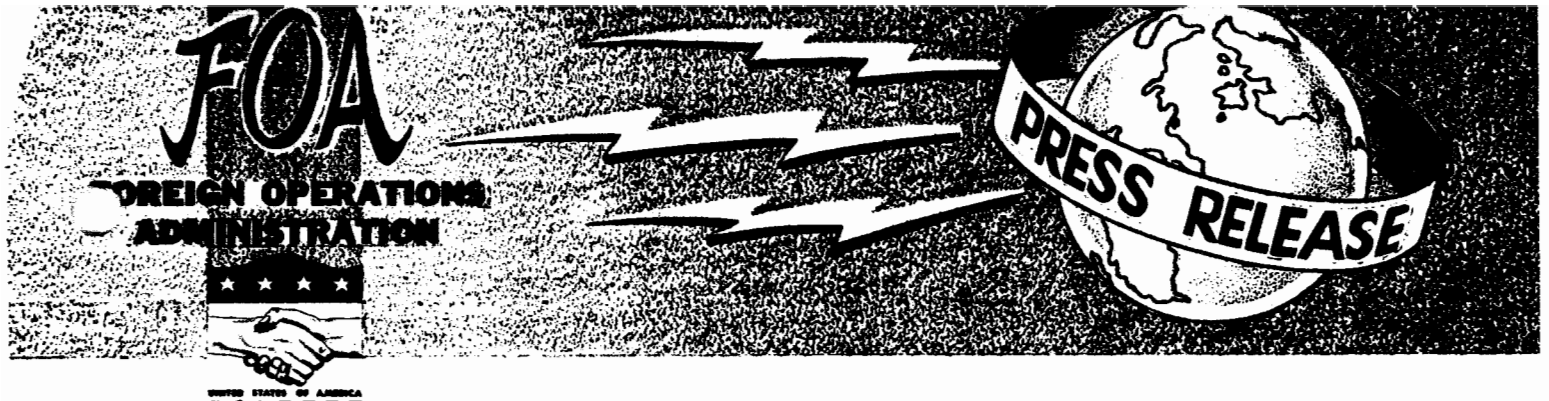

FOA No. 353

For Immediate Release
Friday, April 15, 1955

Montanari
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

FOA ANNOUNCES $12.6
GRANT TO YUGOSLAVIA

WASHINGTON — FOA today allotted $12.6 million to Yugoslavia under the United States direct forces support program for that country.

The new funds are in addition to an allotment of $1 million made earlier this fiscal year by the Foreign Operations Administration for Yugoslavia under the same program. The $13.6 million total will be used to finance dollar purchases of wool, cotton and coal, and to provide ocean transportation of these commodities.

Besides the direct forces support funds, FOA also has allotted thus far this year a total of $22,510,000 under the U.S. defense support program for Yugoslavia. This form of aid also contributes to the maintenance of our military security by bolstering our allies' economies so they can support stronger military establishments.

The defense support funds allotted to Yugoslavia since last July 1 have been used to finance the procurement in the United States of various commodities, including $9 million worth of surplus wheat and $3.2 million worth of surplus cotton.

The defense support funds also financed the purchase of $2,120,000 worth of U.S. coal and $1 million of U.S. fertilizer, as well as smaller amounts of medicines, fats and oils, hybrid seed corn and seed drying equipment needed by Yugoslavia.

More than $6 million of defense support funds was used to transport these commodities and food stocks sent to Yugoslavia by the United States under separate programs to relieve crop shortages caused by adverse weather conditions and by last year's Danube River floods. These foods, consisting of 285,000 tons of wheat and 750 tons of butter, were provided from surplus stocks held by the U.S. Department of Agriculture. Such grants are authorized by the disaster relief provisions (Title II) of the Agricultural Trade Development and Assistance Act of 1954.

new 285,000

- more -

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+100,000

Under Title I of the same Act, the Department of Agriculture has also sold to Yugoslavia for dinar currency, some 425,000 tons of wheat and 50,000 bales of cotton from surplus stocks, during the current fiscal year. The local currency proceeds will be used by the U.S. Government chiefly for defense purposes in Yugoslavia.

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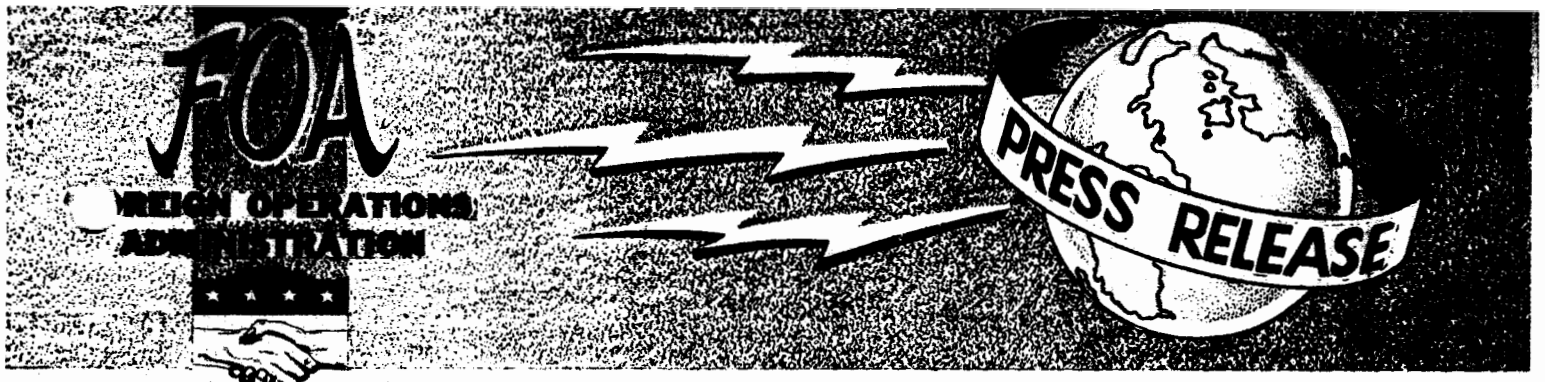

FOA No. 354

For Immediate Release
Tuesday, April 19, 1955

Barkley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

STASSEN NAMES NEW YORKER
AS FOA CHIEF IN ETHIOPIA

WASHINGTON -- Appointment of Edward R. Eichholzer of New York City as director of the FOA mission to Ethiopia in Eastern Africa was announced today by Director of Foreign Operations Harold E. Stassen.

Eichholzer, 50, is embarking on a public career after 26 years in private business with the Standard Vacuum Oil Company, most of which were spent as the company's representative in the China area.

Eichholzer succeeds Marcus J. Gordon, who was recently named FOA director for Libya in North Africa.

FOA programs in Ethiopia emphasize technical cooperation work in agriculture, education, natural resources, health, sanitation, industry and public administration.

The U.S. has been assisting Ethiopia in this joint technical assistance program since 1952. Emperor Haile Sclassie I visited this country last year to express his appreciation for the aid.

One of the outstanding projects in Ethiopia is the agricultural program under which FOA has contracted with Oklahoma A. and M. College to carry out agricultural research and education and supervise the establishment of an agricultural and mechanical arts college at Harar.

Before leaving for Ethiopia, Eichholzer will visit the Oklahoma A. and M. campus at Stillwater for first-hand talks with college officials in charge of the program.

Eichholzer and his wife, whom he met and married in China in 1945, were on the last commercial plane which left Shanghai before the communists overran the Chinese mainland in 1948.

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Graduating from the University of Pennsylvania in 1929, he began his career with Standard Vacuum as a marketing assistant in China. He later was made manager and special representative in such cities as Hong Kong, Shanghai and Tien Tsin.

During World War II the Standard Vacuum Company loaned him to the American Red Cross and for a time he headed up Red Cross activities in the China-Burma-India theatre of war, performing with considerable distinction.

After leaving China, Eichholzer was made manager of the Government Coordinating Department of the firm in 1950 with headquarters in New York City. He retired from this post in January 1955.

Mrs. Eichholzer was born in Germany, but left that country in 1935 and after two years in France went to the Far East. Before her marriage to Eichholzer she taught at the Canadian Mission University in Changtu, China. At one time she also was with the American Red Cross in Chung King and Kumming.

Mrs. Eichholzer will accompany her husband to Ethiopia.

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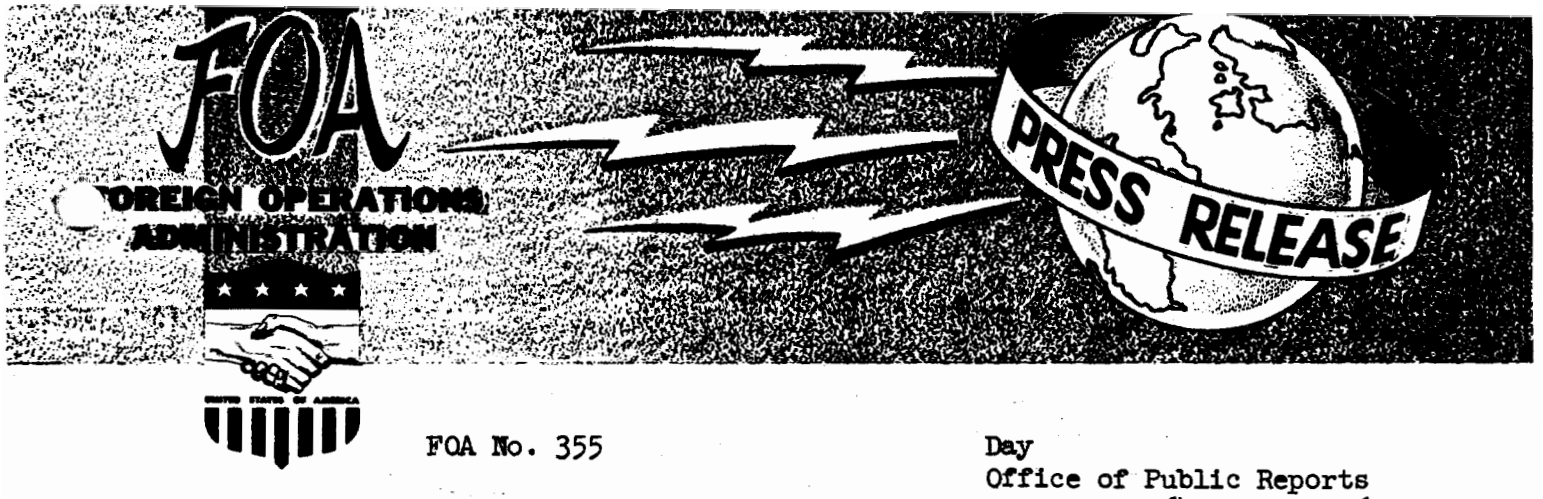

FOA No. 355

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release
Tuesday, April 19, 1955

CAMBODIA TO GET FOA AID
IN BUILDING NEW HIGHWAY

WASHINGTON -- FOA announced today that it is financing an engineering reconnaissance for a 120-mile highway to link Cambodia's capital, Phnom Penh, with a proposed new deep seaport on the Gulf of Siam.

France is to finance the seaport construction, and the Foreign Operations Administration plans to finance the road connection under its program of assistance to newly independent Cambodia.

The engineering reconnaissance is to be made by Andrew Dunn and Peter Limber, engineers with the New York consulting engineering firm of Brown & Blauvelt, under a $19,070 contract with the Cambodian Government. Dunn and Limber are expected in Phnom Penh about April 23 to begin the survey, which will recommend the routing of the road, and estimate the costs of engineering, construction, and imports of equipment.

The French have made an engineering survey of the port site, and plan to start port construction soon. FOA said the road construction, if found feasible, will be undertaken by an American contractor with August 1956 as the probable target date for its completion.

Some two-thirds of the route will be over existing roads now in various stages of repair, and one-third will be over trails or paths through difficult mountainous and jungle terrain.

Cambodia has a sizeable seacoast, but no seaport. The country's trade has historically flowed by land and river through the port of Saigon, capital of neighboring Vietnam. Having acquired sovereignty, Cambodia has requested American and French assistance in opening up its own independent outlet to the sea.

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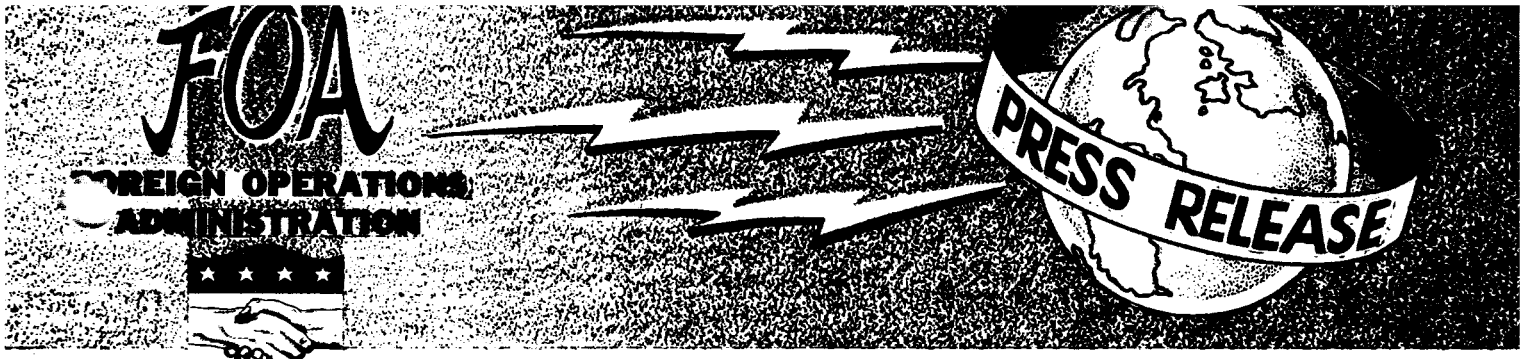

FOA NO. 356

For Immediate Release
Wednesday, April 20, 1955

Todd
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

PAUL NAMED STASSEN'S DEPUTY
FOR CONGRESSIONAL RELATIONS

WASHINGTON -- The appointment of Norman S. Paul as Deputy Director for Congressional Relations was announced today by FOA Director Harold E. Stassen.

Paul has been FOA Regional Director for Near East, South Asia and Africa since February 1954. He began work with the Economic Cooperation Administration, an FOA predecessor, in 1948 in the Office of the General Counsel.

While with the Mutual Security Program, Paul has undertaken special assignments dealing with the development and presentation of legislation for the emergency wheat program in Pakistan; with economic reconstruction of Korea and the emergency program of economic assistance in Iran.

A graduate of Yale University, Paul obtained an LLB degree from the University of Virginia. During the war, he served with the US Navy in the Amphibious Forces. Following the war, he was associated with the law firm of Bleakley, Platt, Gilchrist and Walker in New York City.

Born in Stamford, Connecticut in 1919, he is married to the former Bettie Huffard of Charlottesville, Va. and has three children. He resides with his family at 2915 O Street, NW, Washington, D. C.

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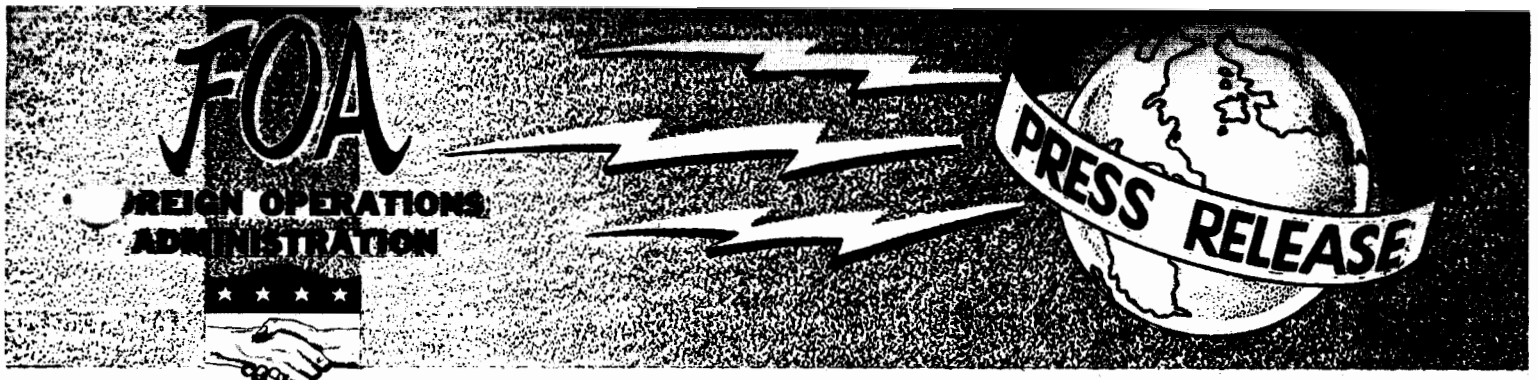

FOA No. 357

ADVANCE RELEASE for Sunday Papers
April 24, 1955

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

EDUCATORS TO MEET
WITH FOA OFFICERS

WASHINGTON, April 23 -- Fourteen leaders in education will meet here April 25 and 26 with FOA officials to discuss the United States' programs of technical cooperation in education.

The special advisory group, known as the Education Committee, was established last January by Director of Foreign Operations Harold E. Stassen to bring about closer contact between American education and foreign educational projects, and to give the Foreign Operations Administration the benefits of consultation with outstanding American educators.

The Education Committee is headed by Benjamin C. Willis, Superintendent of Schools, Chicago.

Other members are:

Dr. Harvie Branscomb, Chancellor, Vanderbilt University, Nashville; Mrs. Sarah C. Caldwell, Kent Junior High School, Akron; Dr. William G. Carr, Executive Secretary, National Education Association, Washington, D.C.; Miss Helen Conoyer, Dean, New York State College of Home Economics, Cornell University, Ithaca, N.Y.; Miss Fannia M. Cohn, Secretary, Education Department, International Ladies' Garment Workers Union, New York; Dr. John A. Hannah, President, Michigan State College, East Lansing, Mich.; Dr. Frederick L. Hovde, President, Purdue University, Lafayette, Ind.

Dr. Harry Dexter Kitson, of Mishawaka, Ind., Professor Emeritus of Education, Teachers College of Columbia University, New York; Mrs. Winifred H. Lancaster, Assistant Director, Santa Barbara Junior College, Santa Barbara, Calif.; Dr. Hugh Masters, Professor of Education, University of Georgia, Athens, Ga.; Dr. Paul C. Reinert, President, St. Louis University, St. Louis; Dr. Herman B Wells, President, Indiana University, Bloomington, Ind.; Dr. Lewis A. Wilson, Commissioner of Education, State of New York, Albany.

The United States Commissioner of Education, Dr. Samuel Brownell, serves as an ex-officio member of the group.

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Swearing-in ceremonies will be held for Miss Cohn and Dr. Reinert, who have been appointed since the initial meeting of the committee on January 24, and Dr. Branscomb, Dr. Hannah, Dr. Hovde and Dr. Kitson, who were unable to attend the previous meeting.

At the January meeting, Stassen told the committee that "we are moving toward and have already made substantial steps into a much greater emphasis on education and the cultural implications of what we do world-wide."

FOA now employs 250 staff members overseas in the education programs, and in addition, 43 American colleges and universities under FOA-financed contracts have over 300 representatives assigned to work overseas on educational projects. Sixty-one such FOA-sponsored contracts are now in operation in 30 foreign countries. The American schools are helping these free nations to build stronger educational institutions and centers of technical knowledge as aids to their economic and social development.

Through this program in underdeveloped regions, the United States "can make within the next decade or two decades a tremendous contribution toward the fundamentals of the future peace and progress of the world," Stassen has said.

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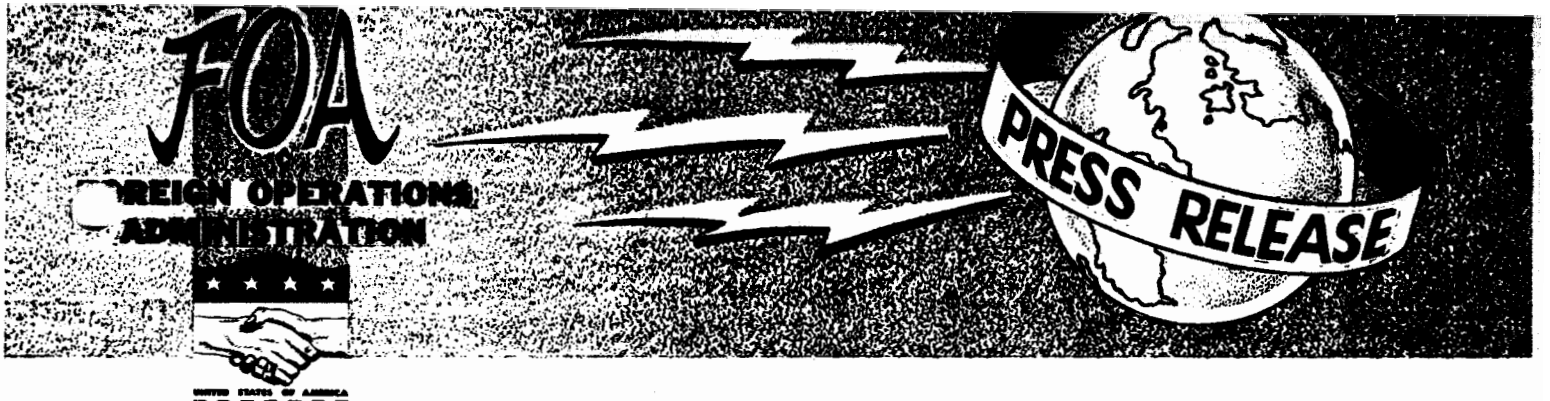

FOA No. 358

For Immediate Release
Friday, April 22, 1955

Barkley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

$20 MILLION LOAN AGREEMENT
IS SIGNED BY TURKEY AND FOA

WASHINGTON -- Signing of an agreement for a $20 million long-term FOA loan to Turkey was announced today by the Foreign Operations Administration.

The loan is part of an FOA allotment of $45 million in defense support funds to Turkey for the current fiscal year. The remainder of the funds will be an FOA grant.

FOA makes defense support allotments to countries with which the U.S. has military agreements. The funds are used to strengthen the economy of the cooperating country and thereby enable it to strengthen its defenses.

The loan agreement was signed by Turkish Ambassador Feridum C. Erkin and Maj. Gen. Glen E. Edgerton, U.S. Army retired, chairman of the board and president of the Export-Import Bank of Washington.

FOA loans, made under provisions of the Mutual Security Act, are negotiated by the U.S. Department of State and FOA. FOA is responsible for disbursement of the loans, and other administration is handled by the Export-Import Bank.

Sec. 505 of the Act provides that of funds made available to FOA this year for assistance to foreign countries the equivalent of $200 million or more including foreign currencies received from the sale of agricultural commodities, is to be in the form of loans.

The Turkish loan is repayable in 40 years at four percent interest if repaid in Turkish lira, and at three percent if repaid in U.S. dollars.

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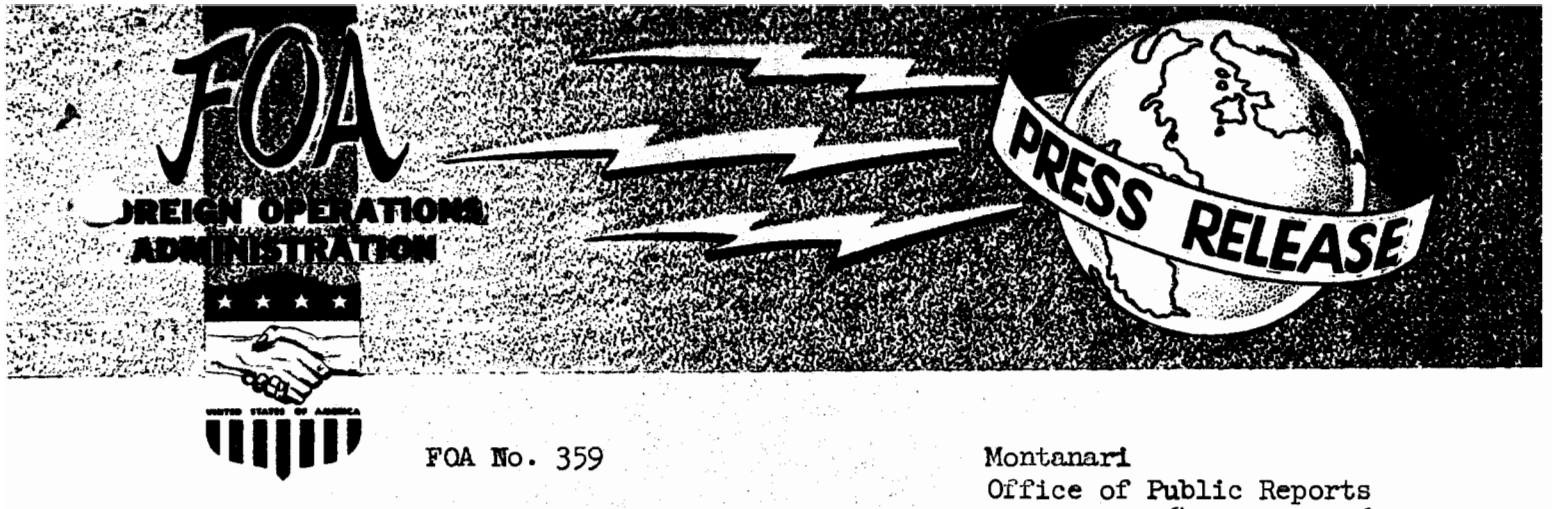
FOA
FOREIGN OPERATIONS ADMINISTRATION

PRESS RELEASE



FOA No. 359

For Release in A.M. Papers of
Tuesday, April 26, 1955

Montanari
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

RUBOTTOM NAMED DIRECTOR
OF FOA MISSION IN SPAIN

WASHINGTON, April 25 -- Roy R. Rubottom, Jr., has been appointed director of the FOA Mission to Spain, it was announced today by Harold E. Stassen, Director of Foreign Operations.

Rubottom, a Foreign Service officer for the past eight years, who has been stationed in Madrid for almost two years, succeeds Edward L. Williams of Kings Point, N.Y. Williams resigned, effective March 15, after serving since October 1953 as the Mission's first director. Rubottom has been serving as deputy director in the Madrid Mission since last fall.

The new Mission director, whose home is in Texas, was assigned to Madrid in June 1953, as First Secretary of the Embassy, later serving as commercial attache and chief of the trade division of the FOA Mission.

The economic program in Spain which Rubottom will direct began in the fall of 1953 after the signing of agreements with the United States providing for air and naval base construction and military assistance as well as economic aid. Designed to support Spain's defense effort, the FOA program is devoted primarily to strengthening power, transportation, and agriculture, as well as such supporting industries as steel, coal and cement. Raw materials, as well as equipment, have been provided for these and other important parts of the economy.

Since the beginning of the program, FOA has allotted more than $140 million for Spain. Much of this has financed the procurement of such U.S. commodities as farm machinery and heavy equipment for irrigation, land reclamation and construction of dams, reservoirs and canals; equipment for development of transportation -- vitally needed for the military base construction program -- including highway construction, rehabilitation of railroads, and development of civil aviation; mining machinery, and equipment for steel mills, electric power installations, cement plants and munitions factories.

Raw materials financed by FOA for Spain have included cotton, coal, copper and aluminum, tin plate, scrap iron, ores, suplhur and similar materials which Spain must import for its manufacturing plants.

- more -

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Spain also participates in the FOA technical exchange program, which brings technical specialists to the United States to study methods used by industry and agriculture to increase productivity, and which sends U.S. experts to the cooperating country to provide requested advisory services.

Since he joined the Foreign Service in April 1947, Rubottom served successively as Second Secretary at Bogota, Colombia, and as officer in charge of Mexican affairs. He was director of the Office of Middle American Affairs in Washington, before his assignment to Spain.

A native of Brownwood, Texas, Rubottom received a B.S. degree in journalism in 1932 and an M.A. degree in government the following year, from Southern Methodist University. He served as assistant dean of student life at the University of Texas while doing graduate work from 1937 to 1941, when he was commissioned in the U.S. Navy. After serving for five years in New Orleans, Mexico and Paraguay, he left active service with the rank of commander. Before he joined the Foreign Service, he was vice president of the State National Bank in Corsicana, Texas.

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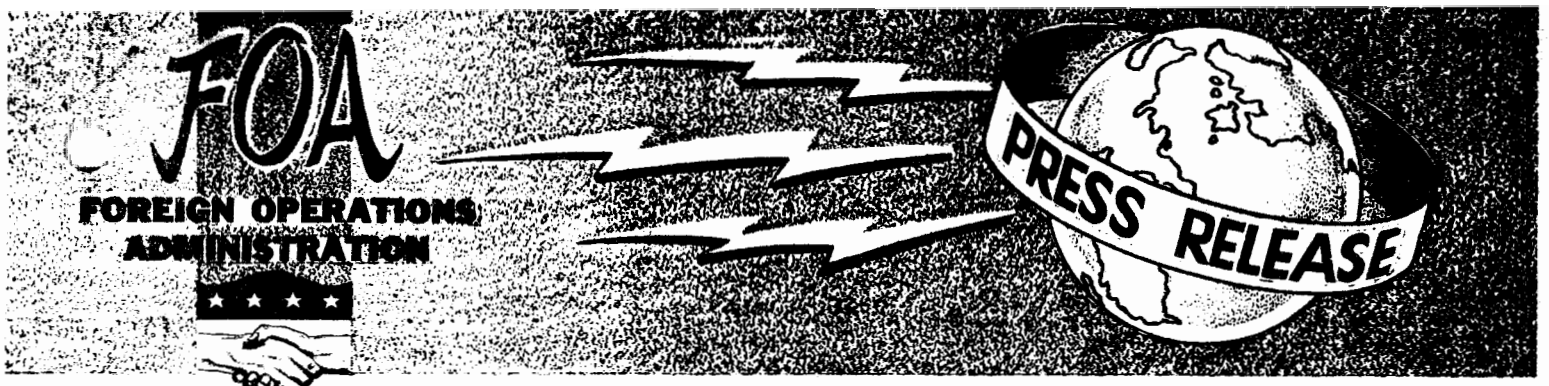

FOA No. 360

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

For Release on Receipt

BACKGROUND INFORMATION FOR USE OF THE PRESS

(NOTE TO EDITORS AND CORRESPONDENTS: Because of requests that have been received for information about the FOA program in Thailand, as a result of the visit of His Excellency, Field Marshal P. Pibulsonggram, the Prime Minister of Thailand, this background piece has been prepared as a service to the press.

The Prime Minister arrived at San Francisco by air on April 23 to begin a three-week visit to the U.S. on the invitation of President Eisenhower. He and his party will visit a number of American cities.

Attention is invited to the press release by the Embassy of Thailand which sets forth the purposes and objectives of the Prime Minister's visit.)

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THE PROGRAM OF MUTUAL SECURITY WITH THAILAND

Through the Mutual Security Program, the United States since 1950 has been helping Thailand, a constitutional monarchy of 20,000,000 population, strengthen itself economically and militarily.

By June 30, 1955, approximately $65 million will have been made available for economic and technical assistance, including the kind of aid called "defense support," which is economic support by the U.S. to help another country maintain larger military forces than it otherwise could afford.

These figures do not include direct military assistance, which since 1950 has provided military equipment and aided in the training of the Thai Royal army, navy and air force.

Economic and technical aid to Thailand before this year averaged about $7 million a year. This year the aid level has been boosted to $46.6 not including direct military aid. The $46.6 million is being used as follows: for technical cooperation, $4.65 million; for defense support, $34.6 million, and for direct forces support, $7.3 million.

FOA had initially programmed a continuation of technical cooperation in such fields as irrigation, fertilizer demonstration, hospital rehabilitation, malaria control, education, transportation, power and lignite development, agricultural extension, rural health, vocational training, and water supply facilities. Three and a half million dollars was programmed to help build a road from the capital into the Northeast provinces.

Last December, however, in response to an emergency request from the Thai Government stimulated by Communist successes in Indochina, FOA Director Harold E. Stassen advised the Thai Government that FOA was prepared to increase its assistance level. Stassen said: "The United States recognizes the importance to Thailand and the Free World of the successful execution of your Government's plans to undertake at this time certain projects required to support its defense effort, to improve the living conditions of its people, and to counter the threat of Communist penetration. I also understand the Thai Government will make every effort to assure the best use of its own resources in meeting these objectives. The United States Government is prepared to make available additional assistance...to help finance such essential activities in Thailand."

Most of the heavily increased program is to finance various defense facilities of importance to the Free World which Thailand could not otherwise undertake because of budgetary limitations. These include the development of roads, railroads, ports and telecommunications, as well as the construction of military installations such as airfields, naval bases and training camps.

About $25 million worth of commodities normally imported by Thailand is being financed by FOA from the defense support funds. Sales of these goods in Thailand generates local currency for the counterpart fund. This Thai currency is needed to meet local currency costs of the Mutual Security projects.

FOA will help Thailand build a 200-mile-long Northeast Road from the capital into the potentially rich but now backward northeast region, which contains one-third of the country's land area and one-third of the people. Engineered and built by American contractors, the road will be supplemented by secondary networks to be built by Thailand. New land is expected to be opened to agriculture and new small industries launched, bringing a trend away from the present sub-marginal one-crop rice economy in the Northeast.

Historically the northeast provinces, which share over 1000 miles of border with the Kingdoms of Cambodia and Laos, have been less developed than the rest of Thailand. Special FOA assistance is being channeled into this region, with emphasis on the construction of irrigation facilities and the sinking of deep wells to ease the periodic water shortages which contribute to the region's lower living standards.

About 200 Thais a year are being brought to the U.S. by FOA for study and training. American technicians are working side-by-side with Thai technicians in their own country in many fields.

Indiana University has sent a staff from its School of Education to help establish a teacher training college in Bangkok, and is preparing to send a staff in public administration to give technical assistance at Thammasat University, which is headed by Prime Minister Pibulsonggram.

Other three-year college contracts sponsored by FOA have sent University of Texas specialists to help with an expansion of Thailand's only engineering and physical sciences college, Chulalongkorn University, and Oregon State College to help Kasetsart University to improve and expand its agricultural education, research and extension programs. Kasetsart is the only college in Thailand offering courses in agriculture. Its current enrollment is nearly 700 students, but it is hoped with Oregon State's help to expand facilities and staff to accommodate a student body of 3,000.

FOA-financed commodity imports for use in Thailand's technical cooperation program this year amounts to about $3 million and mainly consist of medicines and pharmaceutical preparations, pesticides, construction and mining and conveying equipment, electrical apparatus including generators and motors, industrial machinery, trucks and motor vehicles, agricultural vehicles, scientific and professional instruments, and miscellaneous iron and steel manufactured goods.

These commodities also generate Thai currency for the "counterpart fund." The Thai Government deposits its currency in the fund in amounts to match the dollar value of equipment and supplies provided by FOA for use in the technical cooperation program. The fund is used to pay non-dollar costs, such as local labor and materials, of the various joint projects being undertaken in Thailand.

The technical cooperation program includes the provision of American technical guidance, and import of some equipment or commodities when necessary; in such fields as the following:

AGRICULTURE: Crop production and improvement, livestock production and improvement, irrigation, cooperatives and credit, extension, fisheries and agricultural education.

INDUSTRY AND MINING: Manufacturing, mining, power and communications.

TRANSPORTATION: Highways, railways, ports, air transport.

HEALTH AND EDUCATION: Malaria control, environmental sanitation, intestinal parasites, hospital improvement, rural health, medical education and health education.

EDUCATION: Vocational, professional, technical education, and community schools.

PUBLIC ADMINISTRATION: Establishment of an institute of public administration and improvement of governmental services.

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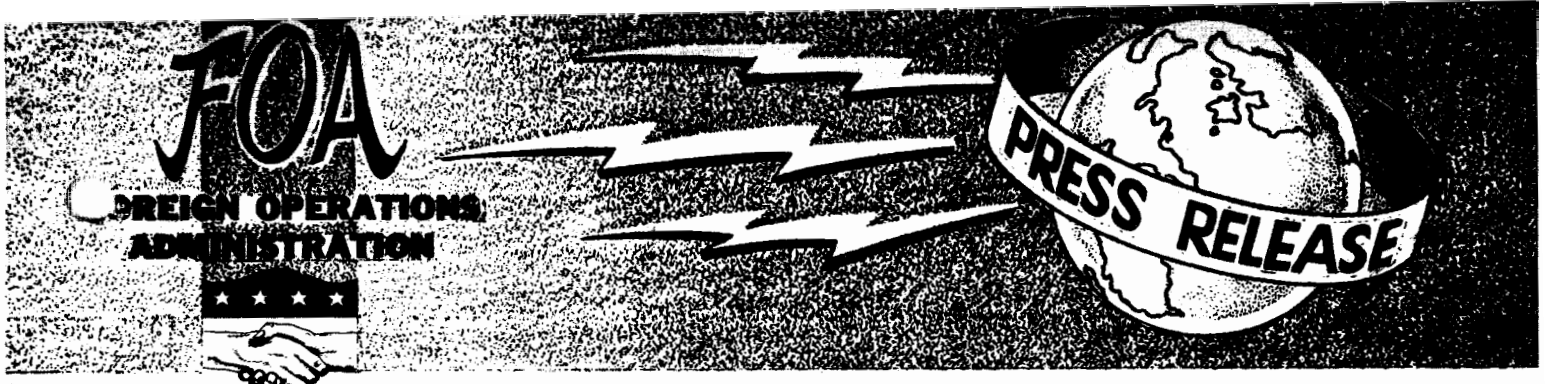
April 25, 1955



FOA
FOREIGN OPERATIONS ADMINISTRATION

PRESS RELEASE

FOA No. 361

For Immediate Release
April 26, 1955

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

ROLE OF U.S. COLLEGES
STRESSED TO EDUCATORS

WASHINGTON -- American colleges and universities are receiving about $15 million a year from the U.S. to conduct programs of technical cooperation in friendly foreign countries, FOA officials reported to the agency's Education Committee, which concluded a two-day meeting today.

The committee, made up of 14 leaders in education, was established last January by FOA Director Harold E. Stassen as a special advisory group on matters concerning the college contract program and other FOA-sponsored educational activities abroad.

Forty-three American colleges and universities are currently engaged in overseas contracts under FOA financing, it was reported. A total of 62 contracts are in operation in 30 countries, mostly in the Far and Near East and Latin America.

Between 15 and 20 percent of FOA's technical cooperation funds are being used in the university-to-university type of assistance, it was reported. The American schools are helping these free nations to build stronger educational institutions and centers of technical knowledge as aids to their economic and social development.

Under the contracts, an American university is requested to assume responsibility for assisting a foreign institution, usually for a three-year period. The contracts are directly related to a foreign country's economic development program, in fields such as agriculture, home economics, general and vocational education, public health, engineering, public administration, and business management.

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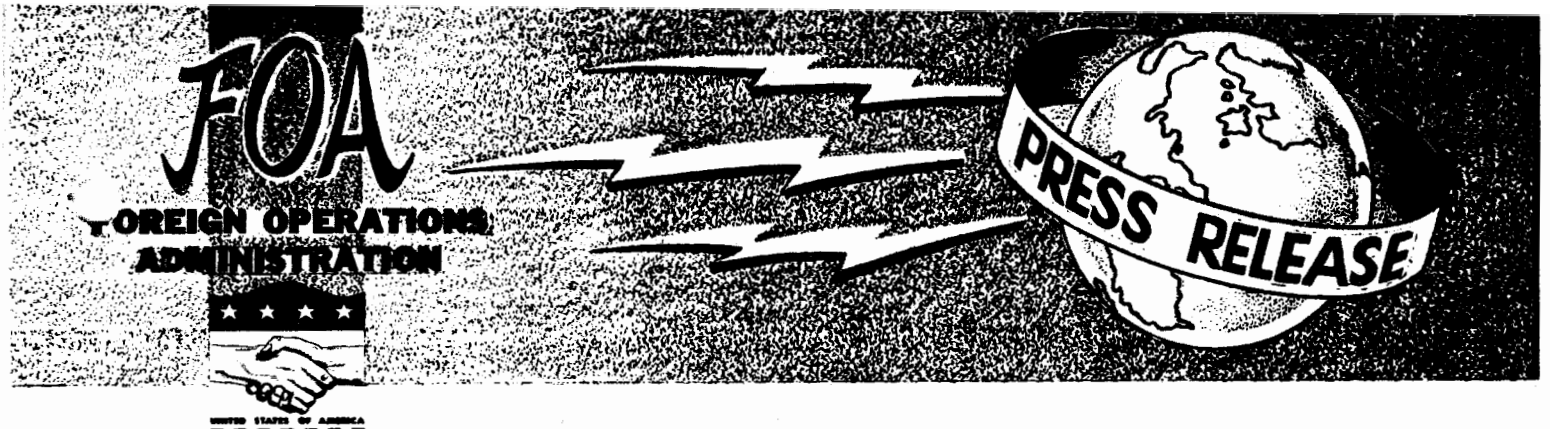

FOA No. 362

For Immediate Release
Monday, May 2, 1955

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

FOA ALLOTS $980,000
FOR VIETNAM PROJECT

WASHINGTON -- The Foreign Operations Administration today allotted $980,000 for the first year's costs of public administration assistance to the Government of Vietnam by Michigan State College.

The College and Vietnam have agreed on a two-year program to strengthen the organization and operations of the Vietnam Government, involving total costs of $1,800,000.

Michigan State is also giving technical assistance to Brazil's Getulio Vargas Foundation in business administration under another FOA-financed contract.

FOA is now financing the dollar costs of 62 contracts providing technical cooperation by 43 American colleges and universities in 30 countries.

Michigan State College will send a staff of about 30 to Vietnam, headed by Dr. Edward W. Weidner of the college's department of political science.

The contract provides for the furnishing of equipment, training aids, reference materials and other commodities needed in the joint undertaking.

The Vietnam Government is transferring its National School of Administration from Dalat to Saigon, and Michigan State will aid in the development of this Institute, which will train government officials and civil servants.

The immediate objective of Michigan State's assistance is to increase the effectiveness of Vietnam Government.

The long-range objective is to develop an Institute that will provide a continuous flow of trained personnel into the government service.

Michigan State's field party in Vietnam will include experts in various fields of public administration, police administration, political science, and research.

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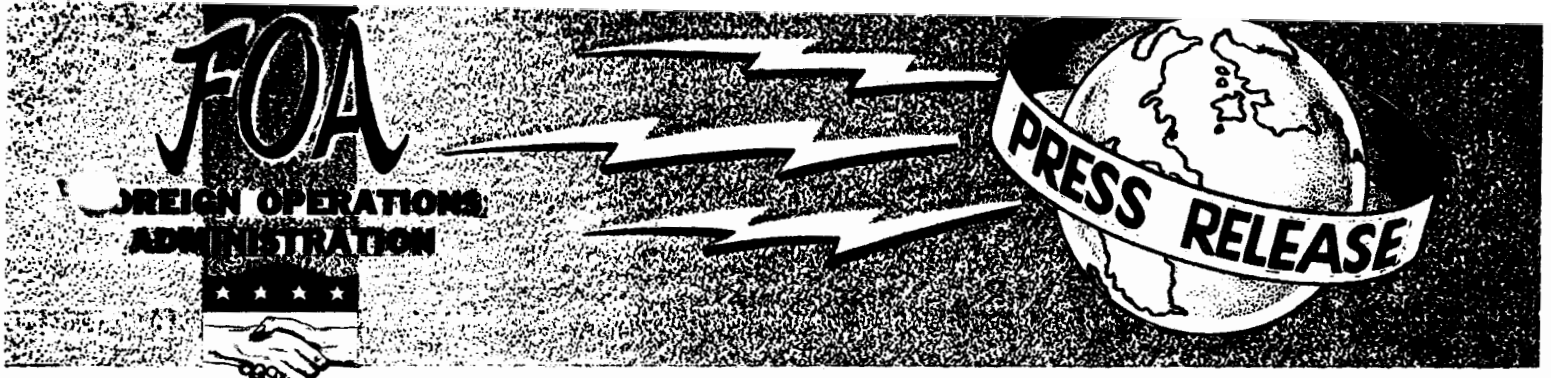

FOA No. 363

For Immediate Release
Friday, April 29, 1955

Montanari
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

BROADWAY PRODUCER AND WRITER
NAMED TO JOB WITH FOA, SPAIN

WASHINGTON — Richard S. Aldrich, one of Broadway's outstanding theatrical executives and real estate operators, has been appointed deputy director of the FOA Mission to Spain, it was announced today by Harold E. Stassen, Director of Foreign Operations.

The appointment will fill the vacancy left by the promotion of Roy R. Rubottom, Jr., from deputy director to director of the Madrid post. Aldrich is expected to leave for Spain in about three weeks.

Besides his successful 25-year career in theatrical production, Aldrich served during World War II in responsible administrative assignments for the U.S. Navy in England.

The FOA Mission in Spain conducts an economic program which began in the fall of 1953 after the signing of agreements with the United States providing for air and naval base construction and military assistance as well as economic aid. Designed to strengthen Spain's economic foundation for the support of the military cooperation program, the FOA program is devoted primarily to developing power and transportation facilities and agricultural production, as well as various supporting industries, by financing imports of equipment and raw materials.

Spain also participates in the FOA technical exchange program, which brings technical specialists to the United States to study methods used by industry and agriculture to increase productivity, and which sends U.S. experts to the cooperating country to provide requested advisory services.

A native of Boston, Aldrich in 1925 was graduated cum laude from Harvard College, and also attended the Harvard School of Business Administration.

He began his career in 1926, as general manager of the American Laboratory Theatre, and in the '30s assisted in producing such well-known plays as "Art and Mrs. Bottle," "Springtime for Henry," "Three-Cornered Moon," and "Petticoat Fever."

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In 1937, he formed the partnership of Aldrich & Myers and produced a number of plays on Broadway, as well as on tour throughout the country, and operated the Cape Playhouse, one of the first summer theatres, in Dennis, Mass.

He was commissioned a Navy lieutenant in 1941, and served successively as executive officer of the Advance Amphibious Base, in Fowey, Cornwall, England; commanding officer of the Advance Amphibious Base in Southampton, member of the staff of the Commander, Amphibious Bases, United Kingdom in Plymouth, and public relations officer for U.S. Naval Forces in Europe. He was discharged in 1945 with the rank of commander.

On his return to the United States in 1945, Aldrich became managing director of Theatre Incorporated, and supervised the production of such Broadway successes as "Pygmalion," the "Playboy of the Western World," and "Goodbye, My Fancy."

He also brought to New York the Old Vic Theatre company from London, the Habimah Theatre Players from Tel Aviv and the Dublin Gate Theatre company from Ireland.

When Theatre Incorporated became inactive, Aldrich resumed the partnership of Aldrich & Myers in 1947, continuing to produce Broadway plays, including "The Moon Is Blue," and Tallulah Bankhead in "Dear Charles," and also operating three summer theatres on Cape Cod, Mass., the Falmouth Playhouse, the Cape Cod Music Circus and the South Shore Music Circus. He has also operated the National Theatre in Washington since 1952.

Aldrich married Gertrude Lawrence, the well known actress, in 1940. Following her death in 1952 he wrote the book, Gertrude Lawrence as Mrs. A., which has been on the best-seller lists since it was published in January and is still near the top of the lists.

Aldrich, who lives at 17 West 54th Street in New York, has two sons, Richard S., Jr. and David B. Aldrich, children of his first wife, the former Helen Beals, whom he married in 1927. They were divorced in 1936.

He will be sworn in at 10:00 a.m. Tuesday, Room 516, Maiatico Building, 806 Conn. Ave., N.W.

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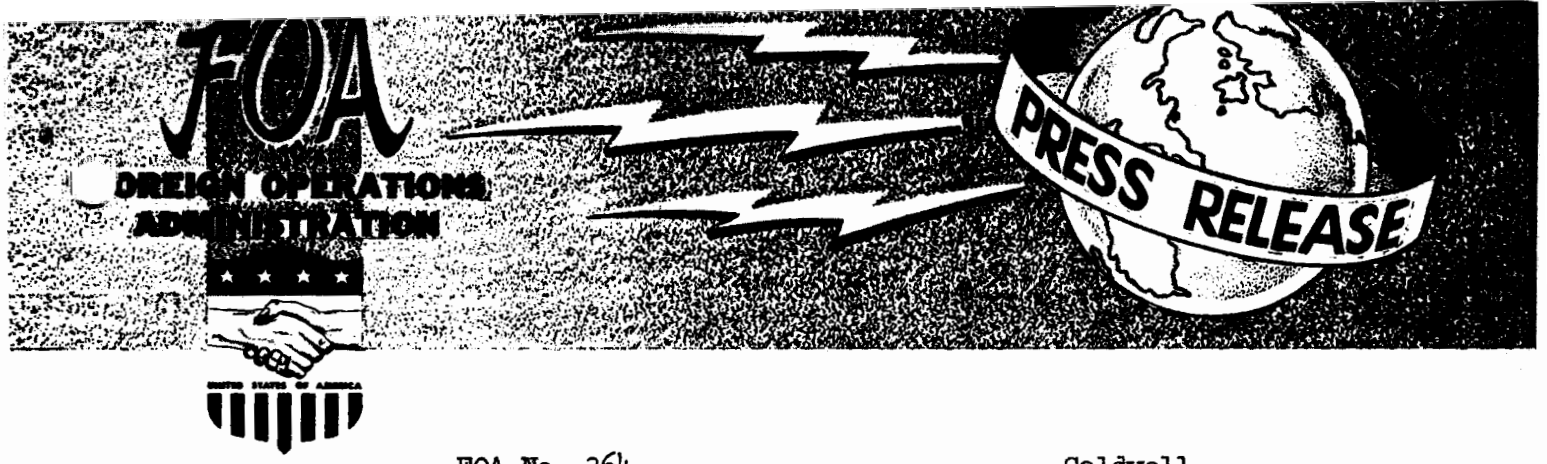

FOA No. 364

For Immediate Release
Friday, April 29, 1955

Caldwell
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave.,NW

EDITORS:

In view of the large number of requests we have received on the U. S. aid program for Asia, which has been projected in President Eisenhower's request to Congress for the 1956 Mutual Security Program, we think you may find the attached background material useful.

ARC OF FREE ASIA

On April 20 of this year, President Eisenhower sent a special message to Congress requesting the authorization of $3,550 million for the Mutual Security Program for 1956.

The President pointed out that the proposed program both reflects greatly improved conditions in Europe and at the same time provides for the critical needs of Asia.

"The immediate threats to world security and stability are now centered in Asia," the President said. "The preponderance of funds requested of the Congress will be used to meet the threat there."

"The free nations of Europe," the President declared, "have attained new levels of production, larger volumes of trade, expanded employment and rising standards of living. They have established strong defense forces which, although deficient in some respects, now constitute a significant deterrent to aggression and add substantially to the free world's defensive power."

In the proposed program, the President said he was requesting no economic aid for the original Marshall Plan countries in Western Europe.

The comparative share of Mutual Security funds going to Asia has become increasingly greater over the past several years. In the 1952 Mutual Security Program only 11 percent of the world-wide non-military aid went to countries of South Asia and the Far East.

In the 1955 fiscal year 66 percent of non-military funds was for the nations of Free Asia. For the 1956 fiscal year, $1,451 million is proposed for Free Asia, exclusive of military end items. This would be 68 percent of world-wide expenditure for direct forces support, defense support, development assistance and technical cooperation.

One significant part of the President's Asia program for 1956 is for a $200 million Fund for Asian Economic Development, with broad rules for its use and in the President's words, "with adequate latitude to meet changing circumstances and to take advantage of constructive opportunities."

Nations affected by the President's program have come to be referred to as the "Arc of Free Asia". What nations these are, what their problems are and their importance to the Free World is set forth in the following pages.

- more -

One-Fourth the World's Circumference

Between 60° East and 150° East Longitude lie fifteen independent nations, each seeking its future by democratic means.

These nations, from west to east, are Afghanistan, Pakistan, India, Nepal, Ceylon, Burma, Thailand, Cambodia, Laos, South Vietnam, Indonesia, the Philippines, the Republic of China, the Republic of Korea and Japan. The Arc also includes Malaya, British Borneo and Hongkong. It extends a quarter of the way around the entire world.

There is not a Soviet satellite among nations of the Arc.

There is not a totalitarian government.

There is not one nation that is not alert to the dangers of Communist subservion.

The Area is One of New Freedom

Ten of the 15 nations in the Arc of Free Asia were colonies of other nations before World War II. Political independence came as the fulfilment of the dream of many generations. More people gained independence during the post-war period than during any similar period of history.

The Area is One of Hope and Energy

Nations in the Arc of Free Asia know that illiteracy, disease and lack of economic development have held them back. They are determined that these handicaps can be overcome. They intend to make a better life for their citizens.

Above All, the Area is One of People

In land area, the Arc of Free Asia is larger than the United States and Alaska combined. On that land live 771 million human beings -- almost five times the population of the United States -- almost equal to the number of people in the Soviet Union and Communist China combined. In this Arc of Free Asia are almost half the free world's total population, one-third of the entire world's population.

Problems of Free Asia

Japan is the only highly industrialized nation in Free Asia. Japan's problem is to use the productive capacity of the nation to increase its trade. Japan's great need is for additional markets and expanded trade with Free Asia.

Most of the Arc of Free Asia presents a picture of economic underdevelopment. For example, the gross national product of the United States is estimated at $357 billion annually. That of Western Europe is just over $200 billion; that of the Soviet bloc and Communist China about $220 billion. The

of the Arc of Free Asia is only about $82 billion. About 30 percent of the world's population produces only eight percent of its goods and services.

The problems connected with this situation are these:

Low Standards of Living. Per capita gross national product is low, only slightly more than the equivalent of $100 a year. In the United States it is $2200; in Europe about $675. In such a situation as that of Free Asia, people live at a subsistence level or with not enough food to maintain health. They cannot accumulate savings to any great extent; markets for industrial products are extremely limited. Capital accumulation for investment proceeds at a very slow rate.

Lack of Education. Illiteracy is high. The lowest rate of literacy in the area is in Afghanistan where only four percent of the people are literate, 96 percent unable to read and write. The highest rate is in Japan where 95 percent can read and write and only five percent are illiterate. In Thailand, literacy and illiteracy are about half and half. The Philippines and Formosa are 65 percent literate, Indonesia 55 percent, but only 20 percent of India's people are literate and only 14 percent of Pakistan's.

Lack of educational facilities to meet the needs of population results in the lack of teachers, technical specialists of many kinds, nurses and doctors, and in managerial and executive skills.

Health Problems. Only in Japan, where life expectancy is 61 years, can the odds be considered in favor of many productive years for any citizen. Life expectancy is 49 years in Thailand but only 32 in Indonesia and India, only 27 years in Pakistan. The resulting economic loss in adult working years to each nation is incalculable.

Other losses than those indicated by life expectancy figures also are suffered. Until the beginning of the national anti-malaria campaign in India three years ago, that country had from 80 to 100 million cases of malaria a year. Most of the malaria victims lost considerable time from productive work.

In Pakistan there is only one physician per 34,000 persons.

In Indochina there is only one physician per 59,000 persons.

In Japan there is one Physician per 1,200 persons.

The Effect of Colonialism. Colonialism contributed to the limited development in Free Asia. Railroads and roads were built, mines were opened, irrigation projects were carried out, ports were developed, some schools and institutions of higher learning were established.

But development was largely for export purposes. Asia's raw materials were processed by foreign industry. Well-rounded development, balanced development, was not achieved. The basic occupation of Free Asia, agriculture, remained for the most part primitive.

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Free Asia suffers from this imbalance today. Three-quarters or more of the peoples of India, Indonesia, Burma, Pakistan and Korea make their livelihood from agriculture.

Natural resources of Free Asia used for export, such as rubber and tin, are subject to world-wide market fluctuations and there are few alternatives for foreign exchange earnings in the economies of the nations producing them.

Colonialism did not encourage contacts and trade within Free Asia but tended to tie trade to separate nations far away. Greater regional trade between Asian nations today is an outstanding need.

Free Asia and Self-Help

Free Asia today is concentrating on its own economic development. India's program is largest. In its Five-Year Plan (now in its fourth year), India expects to devote the equivalent of $7.5 billion of governmental and private resources to economic development. In the first three years of the Plan, India exceeded its five-year food target for production of food grains and for production of cotton cloth. It also was 76 percent of the way toward its target for production of raw cotton, 65 percent of the way on production of ammonium sulphate fertilizer, 63 percent of the way in cement production. It was less than 50 percent of the way in production of electrical energy, in irrigation and in steel production, where establishment of productive facilities takes longer. India has various large hydroelectric and irrigation projects under way. Steel plant expansion also is under way.

The Philippine Republic has authorized a $500 million bond issue for basic economic development and is working out a $2 billion public and private investment development plan.

The catalytic effect of American aid is important to self-help in Asian nations. Thailand, for example, has regularly made appropriations for technical cooperation projects assisted by the United States. But from 1949 to 1953, the Thai Government more than doubled its outlay on projects of the technical cooperation type.

Countries of the Arc of Free Asia also have availed themselves of World Bank loans for major development totalling $256 million. India has obtained loans of $85.2 million for railway rehabilitation, agricultural machinery, electric power, flood control and irrigation, and $31.5 million for steel plant expansion. The World Bank also subscribed $10 million to the capital of the Industrial Credit and Investment Corporation of India, Ltd. Pakistan has received a loan of $30.4 million for railway and agricultural improvement, and $14 million for a natural gas transmission line. Thailand has obtained loans of $25.4 million for railways, irrigation and port development. Japan in the past year borrowed $40.2 million for thermal plant development. Ceylon last year started drawing on a $19.1 million loan for hydroelectric power development.

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The Export-Import Bank of Washington has extended loans of $98.3 million to Indonesia for transportation and communications development, harbor construction, electric power and other development; $209.5 million to Japan for cotton credits; $39.5 million to Afghanistan for construction of a dam and canal and the Helmand River valley development; $25.4 million to the Philippines for hydroelectric and other development and $1 million to Thailand for cargo vessels.

Asian nations recognize that their development needs cannot be met entirely out of their own resources and that foreign capital will be required. At present foreign aid in the form of grants or loans for development purposes are made available largely to governments. When national economic progress, however, have proceeded to the point where private capital -- Asian, European, and American -- can fill this need, development will be able to proceed on a much more rapid basis than that of government programs. A prime objective in present governmental aid is creating the conditions in which private investment can play its important role.

Food production in the Arc of Asia is better than it has been at any time in the past 50 years. This is in sharp contrast to the difficulties in agriculture being experienced by nations under Communist rule. Improved methods of cultivation, greater uses of fertilizers, irrigation of more acres of land and other factors have contributed to the improved situation. Technical cooperation under United States and United Nations programs has played its part. A most significant fact is that Asian nations have awakened to the need for an improved agriculture and are planning accordingly.

This continuing progress in solving food problems is accordingly laying a sound base on which other economic development can take place.

Free Asia and Its Own Defense

American military aid to Free Asia has been heavy -- Korea, Formosa and Vietnam involve three of the larger U.S. commitments in the whole world, and military aid to the Philippines, Pakistan and Thailand also is considerable.

But Korea and Formosa spend from 55 to 70 percent of their own budgets on defense. Pakistan spends 23 percent of its total budget on defense. Thailand more than doubled defense expenditures from 1950 to 1954.

India, member of no military groupings, nevertheless in the past fiscal year allocated $436 million of its total annual budget of $2,846 million on defense services.

Free Asia vs. Subversion

Nations of Free Asia are aware that their national safety can be threatened by Communist subversion. In some countries of Asia, as in Europe, Communist parties have legal recognition but non-Communist governments are on guard against subversive activities. These events have occurred:

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The Philippine Government reduced and broke up the Communist-inspired Huk rebellion.

The Indonesian Government, although recognizing the Communist Party, did not hesitate in 1948 to suppress a Communist insurrection.

In India, in the recent Andhra State election, the majority Congress Party badly defeated the Communists, in what had been regarded as a Communist stronghold. Congress got 146 seats to the Communists' 15, whereas the Communists had held 40 seats. India's economic progress in the last few years was regarded as a decisive factor.

Free Asia in the Era of Cooperation

The community of interest that has been developed in Europe and in the Americas does not yet exist in Asia but examples of cooperation are many.

The Manila Pact groups Australia, New Zealand, Pakistan, the Philippines and Thailand with France, the United Kingdom and the United States in mutual efforts to thwart open armed aggression, resist subversion and provide economic and social development.

The Colombo Plan for economic development was originally composed of members of the British Commonwealth. It now includes the United States, Japan, Thailand and the Philippines, Cambodia, Laos, South Vietnam and Indonesia, in addition to Australia, Canada, New Zealand, the United Kingdom, India, Pakistan, Ceylon, Burma, Nepal, Malaya and British Borneo.

Most of the nations of Free Asia are members of the United Nations and take an active role in United Nations activities.

Technical cooperation programs are carried out by the United States on a bi-lateral basis with Afghanistan, Pakistan, India, Nepal, Thailand, Indonesia, the Philippines, South Vietnam, Laos, Cambodia, Korea and Formosa.

The Importance of Free Asia

Strategically a Free Asia is Vital. With Communist forces in possession of the mainland of China, largest land mass of Asia, and master of its 600 million people, the threat to free world security is great. Communist control over all of Asia would put the Communists in control of immense resources and in positions of strategic importance.

Economically Free Asia is of Increasing Importance. The area is the source of many strategic materials vital to the United States -- from India comes 33 percent of the free world manganese, 65-70 percent of its muscovite mica, 70 percent of its kyanite, 70-75 percent of its shellac. From Indonesia comes 62 percent of the kapok used by the United States, 39 percent of its natural rubber, 22 percent of its tin supply. From the Philippines come 69 percent of the U.S. supply of abaca fibre, 52 percent of the copra and coconut oil this country uses, 32 percent of chromite.

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As Asia's economic development proceeds, markets for United States products also may be expected to expand. Today there is only one telephone per 4,000 persons in Burma and only 25,300 automobiles in the whole of the country. Even in the Philippines there is only one telephone per 400 persons and one radio per 100.

Ideologically, Asia is Where the Future of Democracy May be Decided. Existing side by side in Asia today are two approaches to economic development — the slave labor system of Communist China and the democratic systems of the Philippines and India. Good evidence exists that the Philippines and India are making the greater progress. But the contest will be watched by the peoples of many nations.

Governments of Free Asia today are reasonably stable but all realize that unless visible economic progress is made, the pressure for totalitarian methods will become stronger, Communist subversion more vocal and open. Given enough time, and with progress reflected in broader education and raised standards of living, democracy will succeed. But democracy is being taken at its practical value in Free Asia today. There is no historic background to sustain it through a difficult period. It has to be proved.

U.S. Aid in the 1955 Fiscal Year

The amount programmed for the Arc of Free Asia in fiscal year 1955 is $1360 million, excluding military end items and training. The largest single amount within this total is for the Republic of Korea - $499 million. Aid for the Republic of China on Formosa, excluding military end items and training is programmed at $138 million and aid to Vietnam, Cambodia and Laos is $473 million.

The Pakistan program is $72 million for financing of essential imports and for technical cooperation. India's development efforts are assisted by $69 million of U.S. development aid, part of which is in long-term loans, and $15 million for technical cooperation. A $29 million program in the Philippines emphasizes development in industry and mining, agriculture and transport. About $47 million is programmed for Thailand.

Proposed 1956 Program

Studies and proposals regarding a 1956 program for the Arc of Free Asia are based on several conclusions:

(1) Success in recovery programs in Western Europe has resulted not only in regained economic strength, but also in the ability of European nations to make an increasing contribution to world stability.

(2) Strength in Free Asia can be achieved best by a long-range approach, by accelerating economic development, encouraging better integration of the area and by directing stronger attention of more highly developed nations, not only the United States but also its free world partners, to that area.

(3) The wishes of Asian nations themselves will be a primary factor in their progress. Programs will involve extension of present devices of cooperation and a regional approach as well.

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4/29/55

FOA
FOREIGN OPERATIONS ADMINISTRATION

PRESS RELEASE

FOA No. 365

For Release at 2:30 p.m.
Tuesday, May 3, 1955

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

THAILAND-INDIANA U.
SIGN AN FOA CONTRACT

WASHINGTON -- Field Marshall P. Pibulsonggram, the Prime Minister of Thailand, and President Herman B Wells of Indiana University signed an FOA-financed contract today aimed at strengthening public administration in Thailand.

The Foreign Operations Administration will pay dollar costs of the three-year contract, between Bangkok's Thammasat University and Indiana University, and Thailand will finance local costs with Thai currency. Dollar costs are estimated at $880,000 and local costs at the equivalent of about $500,000.

Prime Minister Pibulsonggram signed the contract as Rector of Thammasat University. The ceremony in the Executive Office Building was attended by officials of the Prime Minister's party, the Thai Embassy, the State Department, and FOA.

The Prime Minister, who is making an official visit of three weeks to the United States upon the invitation of President Eisenhower, was accompanied by FOA Director Harold E. Stassen to the conference room for the signing.

A major objective of the joint college undertaking will be the establishment of an important undergraduate and graduate academic program in public administration at Thammasat, with facilities for training government officials and civil servants and for conducting research and providing technical consultative services to the government.

Indiana University will send a staff of eight specialists and technicians to Thammasat to work with school officials, and will establish a small liaison staff on the I.U. campus to help handle project affairs. About $300,000 of the project funds will be used to provide training at I.U. each year for about 20 Thais, who will become instructors at Thammasat under the new program being developed by Thailand for the training of public servants.

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Indiana University may provide, out of FOA funds, up to $75,000 worth of books, equipment and teaching aids for the Thai school, and may also send additional specialists to help Thailand for periods of up to nine months.

The I.U.-Thammasat U. contract brings the total of university contracts now in operation to 63. These contracts are being undertaken by 43 different American colleges in 30 foreign countries.

Three other college contracts are already in operation in Thailand. Indiana University's school of education is helping establish a teacher training college in Bangkok; the University of Texas is helping expand Thailand's engineering and physical science college, Chulalongkorn University; and Oregon State College is working with Kasetsart University, Thailand's agricultural college, to improve and expand its agricultural education, research and extension programs.

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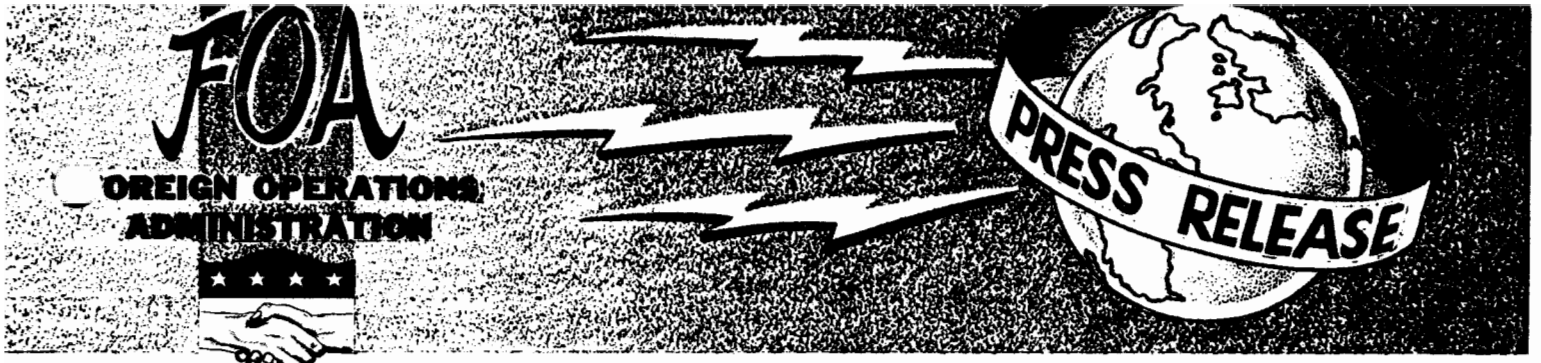

FOA No. 366

For Immediate Release
Thursday, May 5, 1955

Montanari
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

U. K. TO BUY $73.9 MILLION
OF U.S. SURPLUS COMMODITIES

WASHINGTON -- A package agreement for the sale of $73.9 million worth of U.S. surplus agricultural commodities to the United Kingdom, with payment in sterling, was announced today by the Foreign Operations Administration.

The program, which covers the entire fiscal year ending June 30, provides for the shipment to the United Kingdom over the next several months of the following commodities: $14.9 million worth of fruit, $5 million of lard, $5 million of cottonseed oil, $1 million of linseed oil, $20 million of corn, and $25 million of cotton. Also included is $3 million to pay dollar costs of ocean freight, since existing legislation requires that at least half of the commodities must be shipped in U.S. bottoms.

The agreement, recently concluded after several months of negotiation, was made under Section 402 of the Mutual Security Act of 1954, providing that at least $350 million of mutual security funds for the current fiscal year shall be used to finance such sales of surplus farm commodities produced in the United States.

Most of the sterling proceeds of the commodity sales in the United Kingdom will be used by the U.S. Government to strengthen the U.K's defense effort and thus bolster the NATO forces against the danger of Communist aggression in Europe.

The remainder of the proceeds, amounting to the sterling equivalent of nearly $14 million, will be used to purchase military weapons and equipment in the United Kingdom for other nations receiving military assistance under the mutual security program.

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Commodity shipments under a portion of this program have already begun, and the others will follow shortly.

In addition to other effects of the program, the commodity financing will contribute toward easing the dollar balance of payments position of the United Kingdom in the coming months.

Authorizations for U.S. surplus agricultural commodities issued by FOA for all countries under the Section 402 program to date this fiscal year total $389,309,900.

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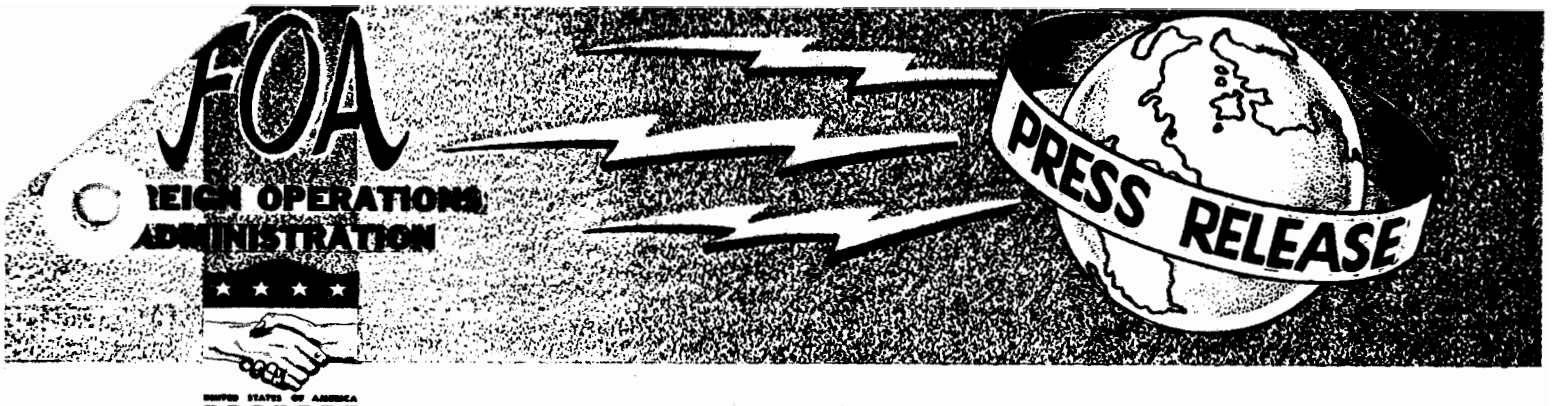

FOA No. 367

For Afternoon Papers of
Monday, May 9, 1955
(Also available in Karachi)

Barkley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

U.S. TO HELP PAKISTAN
EXPAND AIRLINE SYSTEM

WASHINGTON -- The U.S. will help expand and modernize Pakistan's air transport system, FOA Director Harold E. Stassen announced today.

The Foreign Operations Administration's program will be carried out under contract between Pan American World Airways System and Pakistan International Airlines, a newly formed corporation resulting from a merger of the Pakistan Government-owned PIA and Orient Airlines. The new organization is 65 percent owned by the Pakistan Government.

It is the first FOA technical assistance project to use airline development to stimulate the economic and industrial growth of underdeveloped regions and calls for a team of experts from Pan American to work with Pakistan personnel for a period of three years.

"Civil aviation is one of the major factors in developing and maintaining a modern economy," Stassen said in announcing the project. "I am sure that Pakistan and the free world will benefit immeasurably from a highly efficient Pakistan system."

In Karachi, capital of Pakistan, M. A. Ispahani, Chairman of the Board of PIA, said:

"There is no doubt that with American assistance PIA will soon grow into a major air carrier, which will be a source of strength to Pakistan and the free world."

The 24-man Pan American team headed by a chief of the technical assistance group will serve PIA in the fields of operations, pilot training, dispatch, communications, maintenance, traffic and sales, passenger service, treasury and accounting, and services and supply.

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FOA will contribute $725,000 to help finance the first year of the program of assistance and provision is made looking towards an additional $1,775,000 over the succeeding two years of the Pan American-PIA contract.

The Government of Pakistan will make a rupee contribution toward the program equivalent to $121,212 in the first year with provision for rupees to the equivalent of $242,424 over the next two years.

Airline operation is considered of especial importance to the development of Pakistan since the country is divided into two parts, one on the western side of the Indian subcontinent and the other 1400 miles away to the east.

PIA is presently operating domestic services between the western and eastern portions of the country as well as regional and international routes.

FOA previously had approved a program to assist Pakistan in providing airways installations such as radiotelegraph facilities and other navigational aids.

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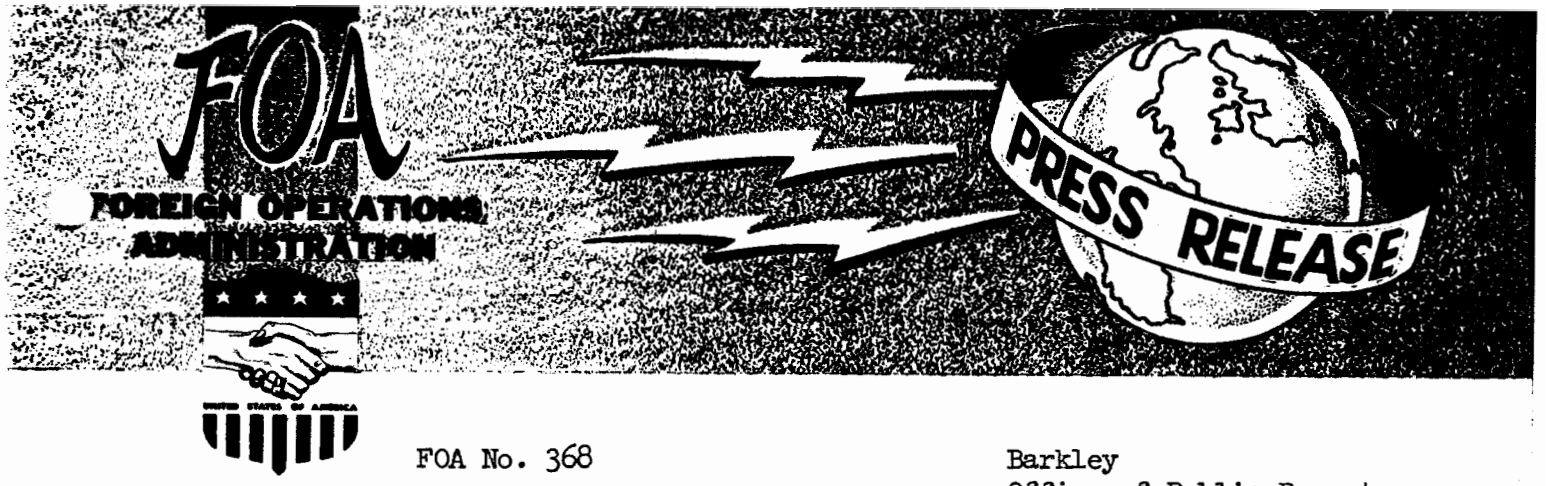

FOA No. 368

Barkley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release
Monday, May 9, 1955
(Also Available in Ankara)

GEN. RILEY IS NAMED DIRECTOR
U.S. OPERATIONS MISSION TO TURKEY

WASHINGTON -- Lieutenant General William E. Riley, U.S. Marine Corps (Retired), FOA Deputy Director for Management since September 1953, today was named director of the agency's mission to Turkey by FOA Director Harold E. Stassen.

The U.S. is assisting this eastern anchor of the North Atlantic Treaty Organization (NATO) to expand its economic resources in order that Turkey may support and strengthen its defenses. The U.S. participation for the current year is $70,640,000.

Stassen, who served with Gen. Riley on the staff of Admiral William F. Halsey in the Pacific during part of World War II, said he was "highly gratified that once again Gen. Riley is willing to forego a well-earned retirement to continue in the service of his country."

"He is an able administrator and effective in relationships with those with whom he comes into contact," Stassen said.

"As my deputy for management in FOA he performed with considerable distinction and I am confident he will perform his newly assigned duties with the same effectiveness, and to the mutual benefit of the U.S. and the Republic of Turkey."

In Ankara, capital of Turkey where Gen. Riley is scheduled to arrive in June, he will succeed M. Leon Dayton, who is resigning after seven years with U.S. overseas aid missions, first for four years in Italy and the past three years in Turkey.

Gen. Riley's military career spanned 34 years during which he saw action in both World Wars and rose from rank of second Lt. in the first one to rank of Lt. Gen. which he held upon his retirement from the Marine Corps in June 1951.

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Shortly after World War II, Gen. Riley was assigned to duty in the Middle East with the United Nations Truce Supervision Organization, Palestine Mission.

Upon the assassination of the Mediator, Count Folke Bernadotte in September of 1948, Riley was designated as the Chief of Staff of the U.N. Military Observer Group, composed of French, Belgian, Swedish, and American personnel.

In 1951 following his retirement, Gen. Riley was appointed a director in the U.N. Secretariat and continued to serve as Chief of Staff of the Truce Supervision Organization in Palestine. He was responsible for seeing that the armistice agreements between the States of Egypt, Syria, Trans-Jordan, Lebanon and the State of Israel were carried out.

He was with U.N. at the time Stassen named him as FOA Deputy Director in 1953.

Born February 2, 1897 in Minneapolis, Minn., Gen. Riley attended the College of St. Thomas in St. Paul and in June 1917 after U.S. entrance into World War I reported for active duty as a second lieutenant in the Marine Corps. He was twice wounded while serving in France.

During World War II, he served as Fleet Marine Officer, Atlantic Fleet until 1942; in Washington as war plans officer on the staff of Admiral Ernest J. King, wartime Chief of Naval Operations, and in 1943 was assigned to duty on the staff of Admiral Halsey, with whom he served two years, following which assignment he joined the Third Marine Division as deputy and later as the commanding general.

At World War II's end, he was participating in planning the Japanese invasion and a possible landing in China.

Among decorations awarded him during his long career in the Marines are the Distinguished Service Medal, Letter of Commendation with Ribbon, Silver Star Medal and Oak Leaf Cluster, Purple Heart with Oak Leaf Cluster, the Croix de Guerre with Gold Star, American Defense Service Medal, Haitian Medal of Honor and Merit, and Philippine Liberation Ribbon.

Gen. Riley is a graduate of the Army Infantry School, Command and General Staff School, and the Naval War College.

The General is married to the former Katherine Donahoe of Des Moines, Iowa, and they have two children, William E. Riley, Jr., now a Marine lieutenant and Katherine Elizabeth Riley, who is attending Marymount College in Paris.

Gen. Riley resides at 3206 38th St., N.W., Washington.

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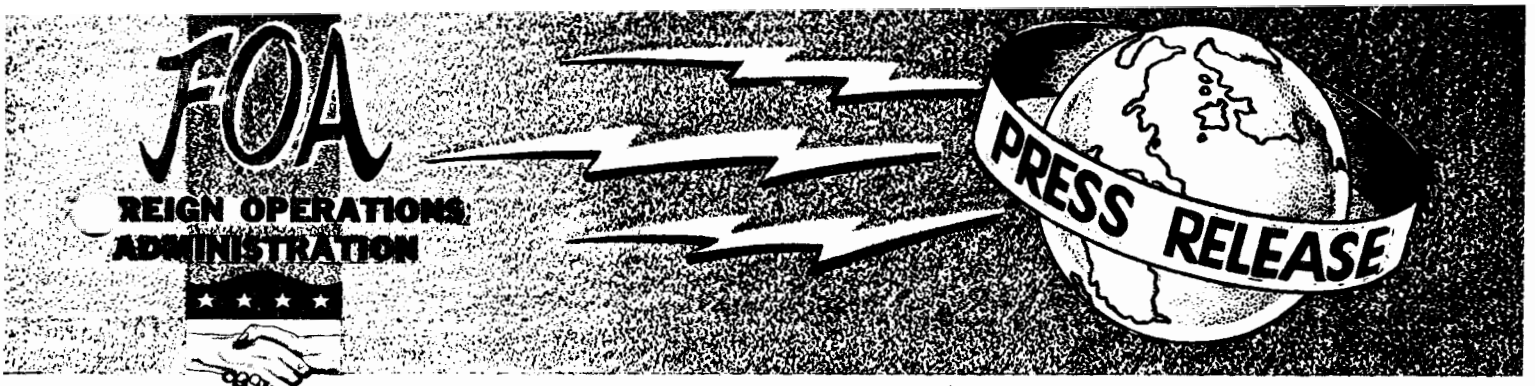

FOA
REIGN OPERATIONS ADMINISTRATION

PRESS RELEASE

FOA No. 369

330 - EOB

For Immediate Release
Wednesday, May 11, 1955

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

LATIN AMERICAN SEMINAR

WASHINGTON -- FOA today opened a six-week practical seminar in supply management for Latin American officials to aid U.S. firms doing business in Latin America and to enhance the FOA program there.

Twenty-five key officials from nine countries will study supply management problems in the seminar sessions, to be held through June 17 mostly in U.S. Government agencies here, and in private firms in Philadelphia, New York and Chicago. The sessions will be conducted simultaneously in Spanish and English.

The Foreign Operations Administration said primary aim of the seminar, initiated by Director Harold E. Stassen, is to improve Latin American business relations with U.S. firms and FOA program personnel by speeding up the administration of supply, purchasing, and transportation.

The officials include representatives of various ministries and of the joint U.S.-host country Servicios through which FOA technical cooperation programs in Latin America operate. Countries represented are: Bolivia, Brazil, Ecuador, Honduras, Haiti, Mexico, Panama, Paraguay, and Uruguay.

The seminar sessions in Washington will include talks by representatives of or visits to the General Services Administration, Bureau of the Budget, Atomic Energy Commission, Department of Agriculture, the Tennessee Valley Authority, and to the National Institute of Government Purchasing, a non-Federal group.

Other sessions will include visits to the W.R. Grace Company, New York; Sears, Roebuck and Company, and Food Fair, Philadelphia; Montgomery Ward and Sears Roebuck, CHicago; and the Purchasing Board, City of Milwaukee. The seminar was planned under the general direction of S. McKee Rosen, chief, training branch, public administration division, FOA Washington.

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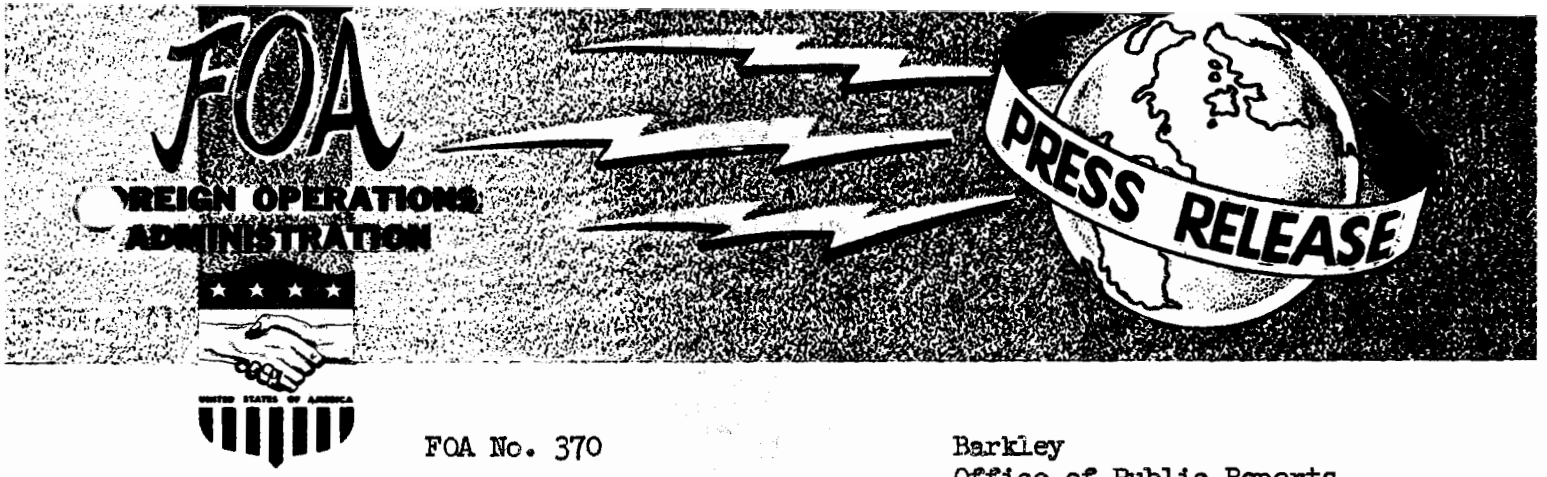


FOA No. 370

Barkley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release
Wednesday, May 11, 1955

CEDRIC SEAGER IS NAMED
FOA REGIONAL DIRECTOR

WASHINGTON -- Appointment of Cedric H. Seager as FOA Regional Director for the Near East, South Asia and Africa was announced today by Director of Foreign Operations Harold E. Stassen.

Seager was deputy regional director to Norman S. Paul until Paul's recent appointment as Foreign Operations Administration Deputy Director for Congressional Relations. Since then Seager has been serving as acting director for the region.

Seager has been connected with U.S. foreign operations programs since 1947, when he joined the American Mission for Aid to Greece. Subsequently he held posts with the Economic Cooperation Administration and the Technical Cooperation Administration involving aid programs in the Near East.

Born in Istanbul, Turkey, Seager was educated at the American Mission School and in England. He has had wide experience in the Near East as an army officer, businessman and writer as well as government official.

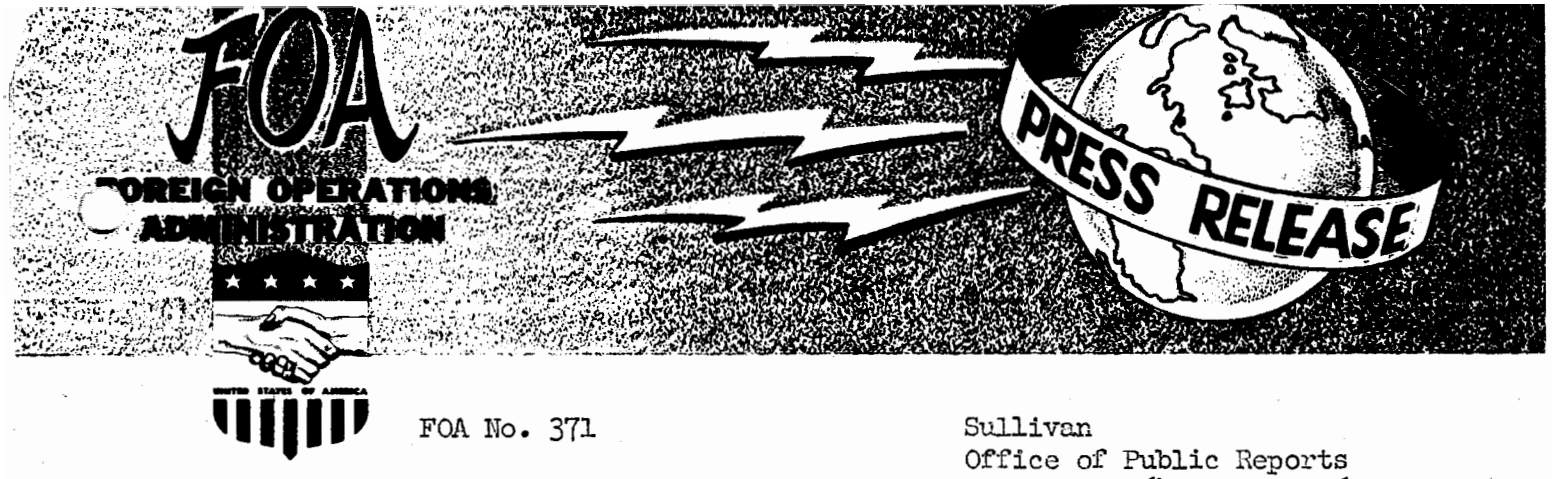
He served 15 years as Director and Board Chairman of the Walter Seager and Co., Ltd., an export-import firm operating in Turkey and Greece.

From 1935 to 1942 he was a free lance writer and lecturer on Middle East Affairs. During World War II, Seager was U.S. Military Attache in Istanbul and was awarded the rank of Lieutenant Colonel for his supervision of the evacuation of Allied POW's from Bulgaria and relief of U.S. prisoners of war repatriated through Russia.

He was an Assistant Director for Trans World Airlines in the Middle East for two years following the war and was connected with this firm when he joined U.S. overseas aid programs in 1947.

Seager, who resides at 6314 33rd St., N.W., is married to the former Mary Gertrude Packer, daughter of the Rev. William S. Packer and the late Mrs. Packer of Worcester, Mass.

They have two children, Walter, who attends school in Washington, and a married daughter, Mrs. Ian R. Wookey of Toronto, Canada.



FOA No. 371

For Immediate Release
Wednesday, May 11, 1955

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn.Ave., NW

HARDESTY IS ELECTED PRESIDENT
OF INTER-AMERICAN INSTITUTE

WASHINGTON -- FOA today announced the election of M. N. Hardesty as president of the Institute of Inter-American Affairs. He was elected yesterday by the Institute's Board of Directors, composed of FOA, Department of State, and White House officials connected with Latin American Affairs.

Hardesty will also continue as director of FOA's Office of Latin American Operations. He has held both positions in an acting capacity since February 1954.

The Institute, the operating arm of FOA in Latin America, is a government corporation that became part of FOA when the agency was created in 1953.

Under Hardesty's direction, approximately 700 U.S. technicians are employed in 19 Latin American republics and several territories, mainly in agriculture, public health, education, labor relations, industry, investment, and public administration.

In 1953, Hardesty, as special assistant to FOA Director Harold E. Stassen, directed all operational activities connected with the shipment of some 610,000 tons of U.S. famine-relief wheat to Pakistan.

During World War II, he was chief of the U.S. Military and Aviation Missions to Bolivia.

After the war Hardesty served with the U.S. Joint Chiefs of Staff, General Staff of the Army, and the General Staff of the Far East Command, Tokyo. In 1948, while attached to the Office of the Secretary of the Army, he completed a comprehensive report on strategic and critical materials in Latin America.

- more -

While in Tokyo Hardesty left active service to become deputy chief of the Natural Resources Section of the Supreme Commander of the Allied Powers.

A graduate of Missouri State College, Hardesty entered on active Army duty as a lieutenant and rose to the rank of colonel. He was born in Springfield, Mo., and is married to the former Miss Marguerite Sailor of that city. The Hardestys have two children, and reside in Washington.

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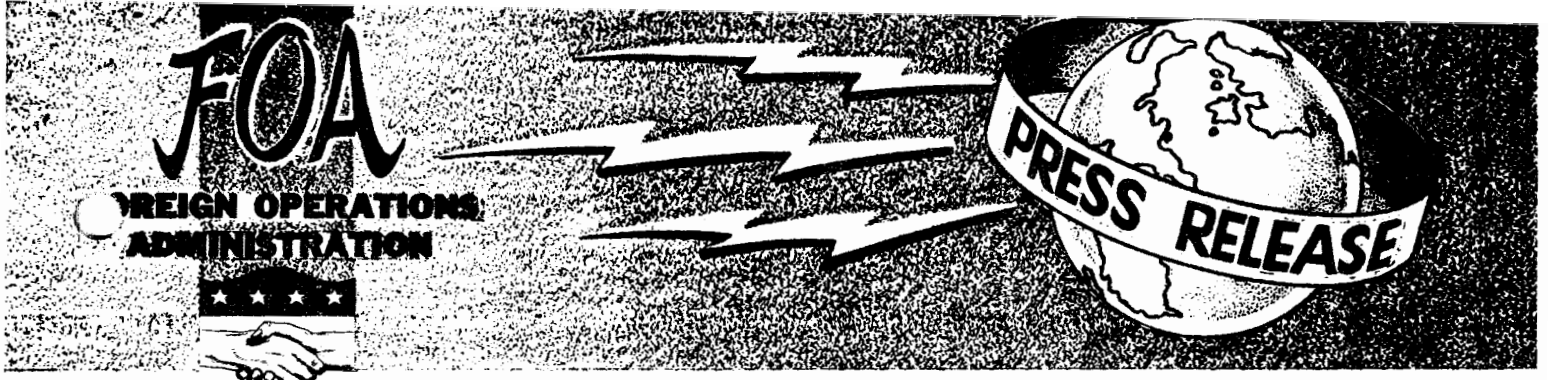
315



FOA No. 372

For Immediate Release
Monday, May 16, 1955

Barkley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

BELL NAMED U. S. AID
DIRECTOR IN PAKISTAN

WASHINGTON -- Appointment of John O. Bell, Department of State foreign service officer, as director of the U.S. Aid Mission to Pakistan was announced today by Director of Foreign Operations Harold E. Stassen.

Bell, who has been with the State Department since 1931, is scheduled to leave late this month for Karachi, capital of Pakistan, and arrive there about June 5 or 6.

He has been on duty in Washington since last February when he returned from Copenhagen, where he headed U.S. economic assistance programs in Denmark.

Bell succeeds Ralph W. Will, who held the Pakistan post for two years and is now director of the U.S. foreign aid program in the Dominican Republic.

Pakistan is one of the countries in the Arc of Free Asia receiving U.S. technical and economic assistance. The country is divided into two parts, one on the western side of the Indian subcontinent and the other 1400 miles away. It has a population of about 76,000,000.

The U.S. economic and technical cooperation program in Pakistan during the current fiscal year totals $72.1 million, of which $20 million is in the form of a loan. Aid requested for the 1956 fiscal year totals $92 million.

The objectives of the U.S. aid program are to assist Pakistan in developing an expanding economy and to assist also in strengthening the country's defenses, both for preservation of its own security and so that it can realize the common desire to contribute to free world defenses in Asia.

Bell, who will administer these programs, began his State Department career as a clerk, meanwhile attending night classes at George Washington University in Washington, which awarded him a B.S. degree in 1934 and a law degree in 1939.

From 1941 to 1947, Bell was a State Department officer in charge of air transport problems and for three years before he went to Copenhagen in 1951 on his first overseas assignment he was assistant director of the Mutual Defense Assistance

Program (MDAP). He attended National War College, 1947-48.

Bell was born October 4, 1912 in Manila while his father who went to the Philippines with the 20th Illinois Infantry was serving in the Philippine constabulary.

The family returned to the U.S. in 1916 and settled in the Washington area, the father becoming connected with the U.S. Department of Agriculture. The father, John O. Bell, Sr., was a U.S.D.A. official at the time of his death in 1923.

Bell's mother, Mrs. Frances Bell, lives at 2100 N. Irving Street, in suburban Arlington, Va., and for 30 years has been a teacher of Spanish in Washington-Lee High School there.

Bell married the former Jeannette Shahan of St. Petersburg, Fla., in 1934 and they have three children, John S. 13, Patricia 11, and Katie 3. The family will accompany him to Pakistan.

While in Washington the Bells have lived in Suburban Montgomery County, Md.

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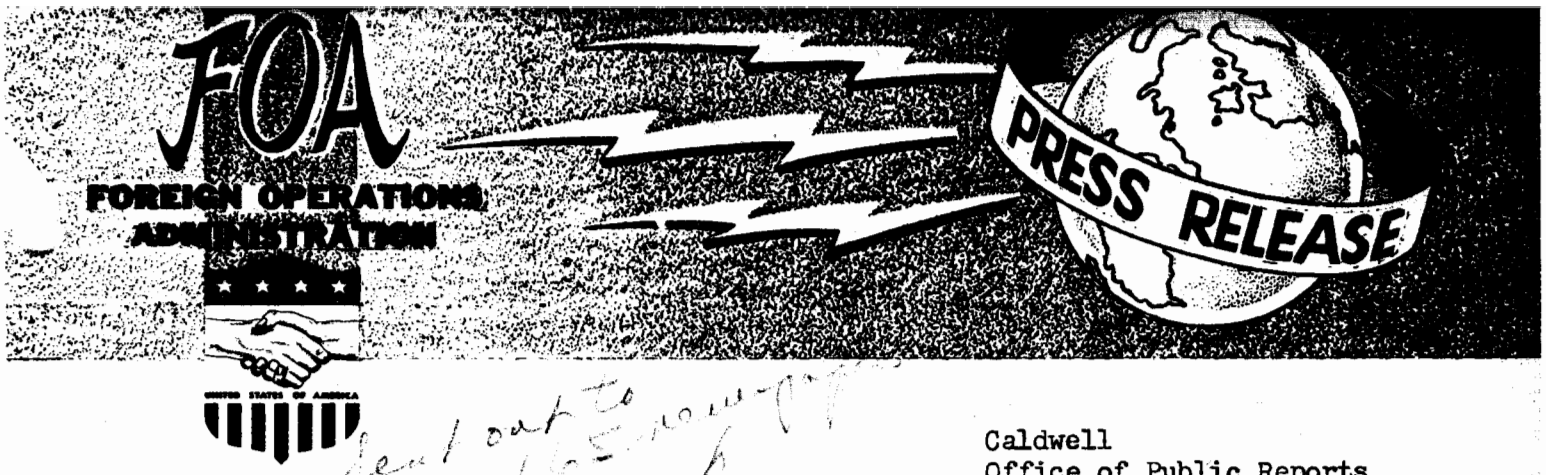


Sent out to [illegible]

Caldwell
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

5/11/55

NOTE TO CORRESPONDENTS

Attached are reproductions of the charts used by FOA Director Harold E. Stassen in his opening statement before the Senate Foreign Relations Committee.

Because of the physical setup of the room, most of the press were unable to see these charts as they were being presented. Therefore, I am forwarding a set in the belief they may be useful to your paper as you import the progress of the hearings on the mutual security bill.

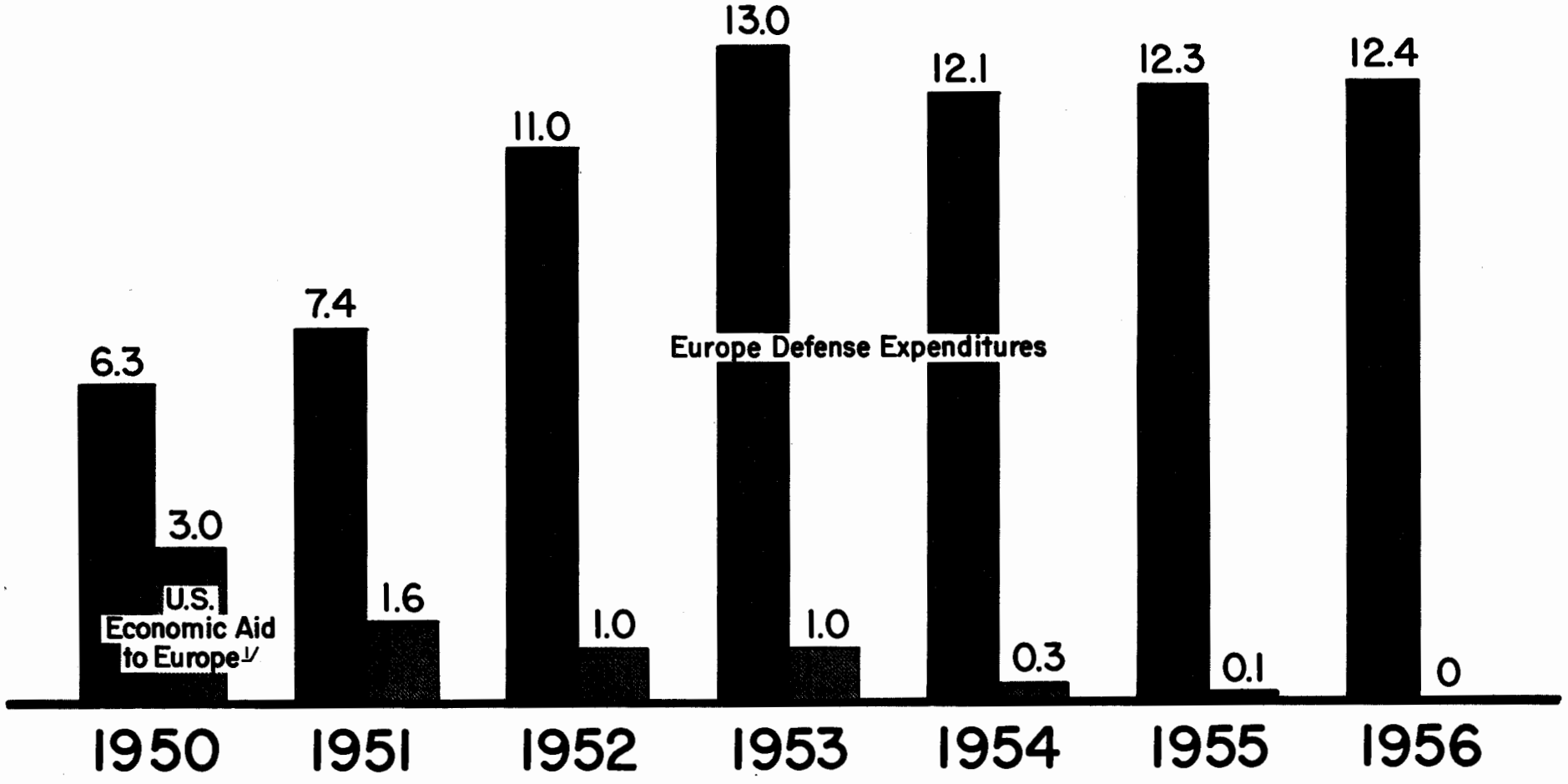
wjc

William J. Caldwell,
Director of Public Reports

Attachment

EUROPEAN DEFENSE EXPENDITURES AND U.S. ECONOMIC AID

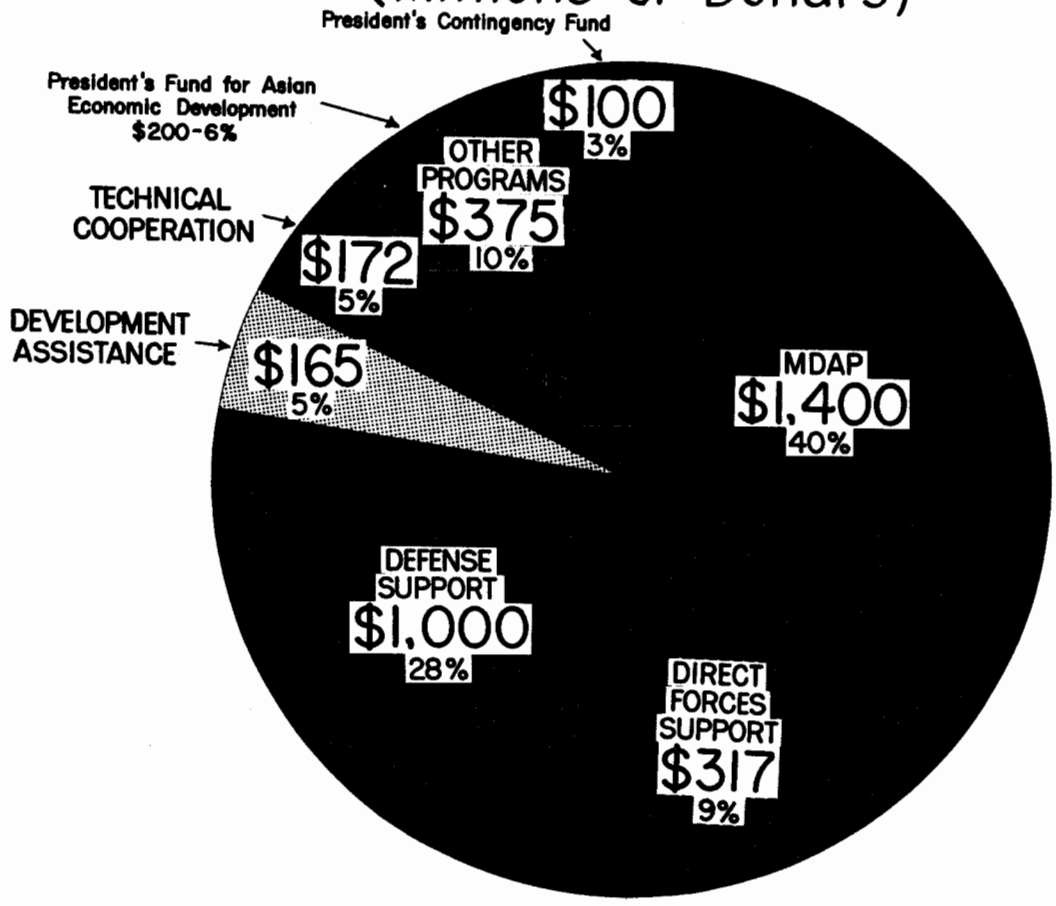
(BILLIONS OF DOLLARS)



NOTE: European NATO plus Germany, excludes Greece and Turkey.
1/ Obligations

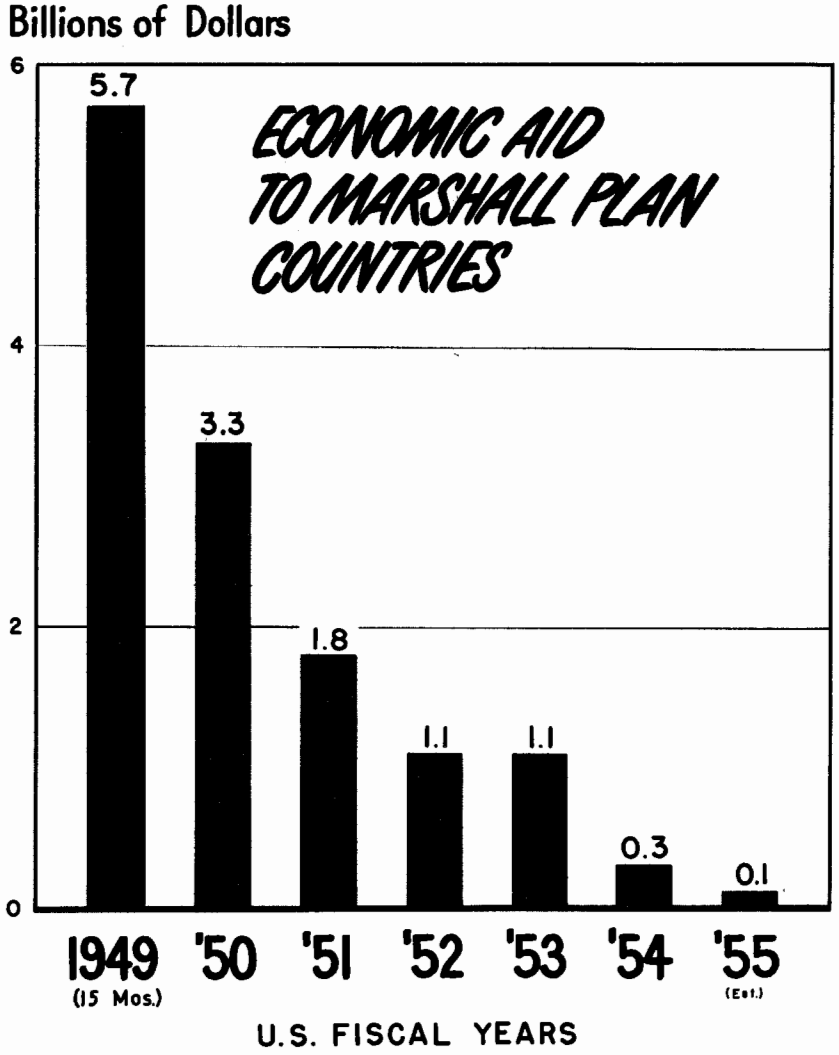
FY 1956 PROGRAM BY FUNCTION

(Millions of Dollars)

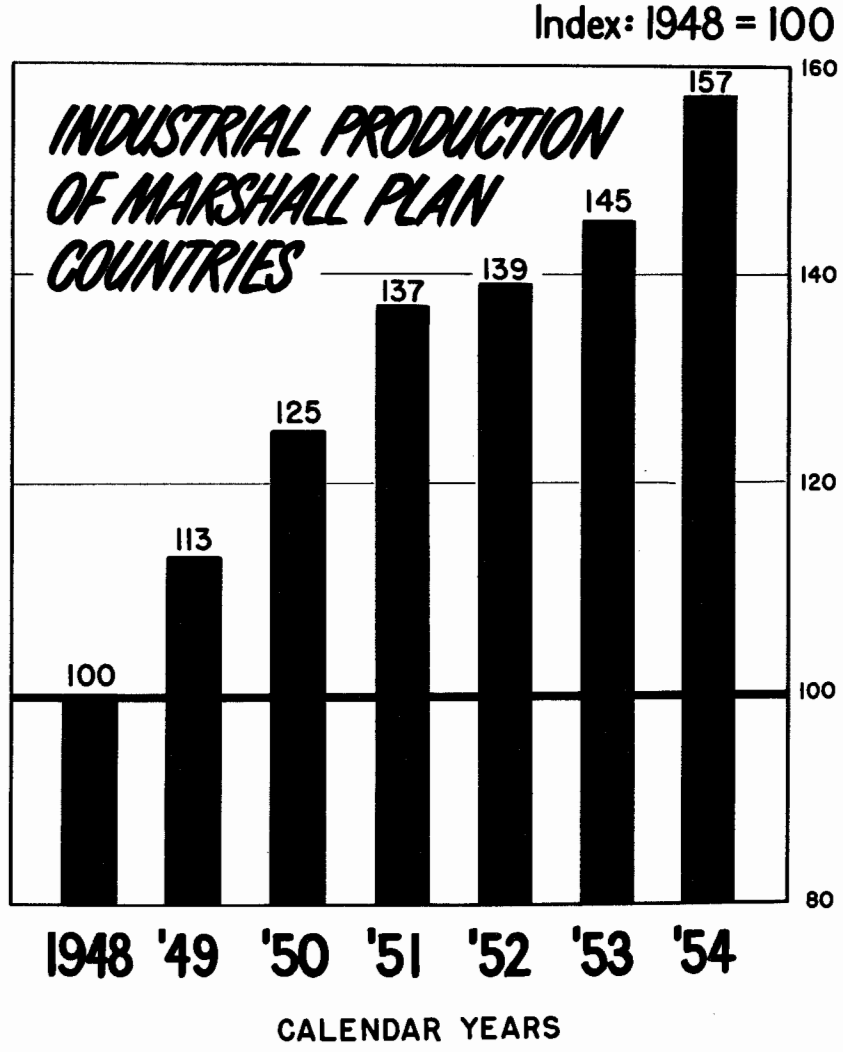


$3,530 Million

MARSHALL PLAN RESULT IN EUROPE

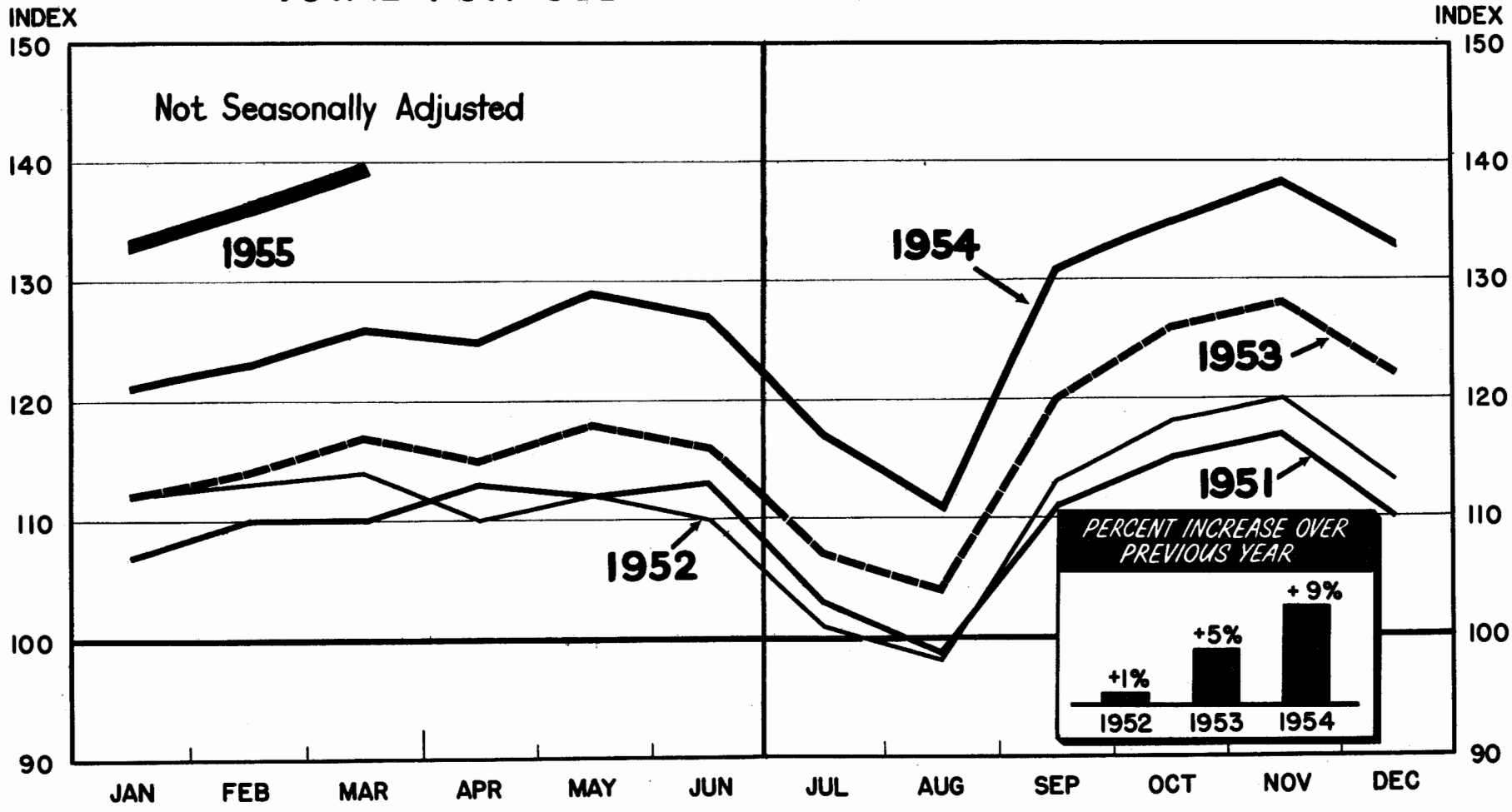


Note: Aid figures are allotments to European countries, excluding Yugoslavia, Spain and W. Berlin.



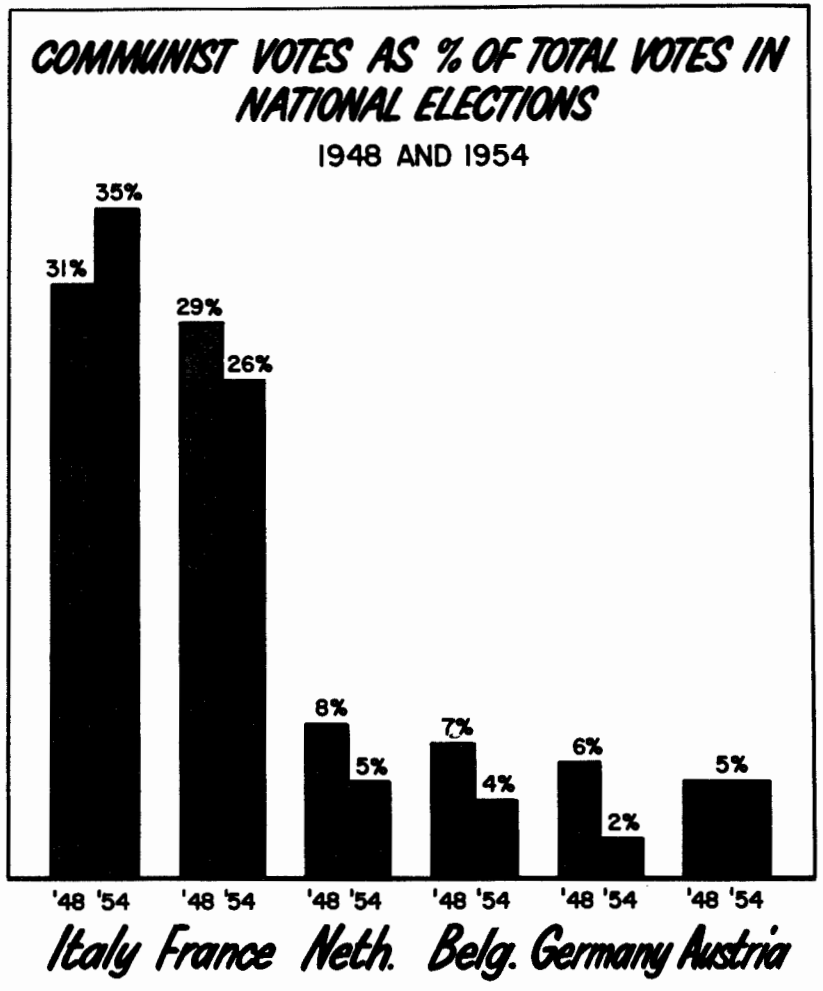
EUROPEAN INDUSTRIAL PRODUCTION

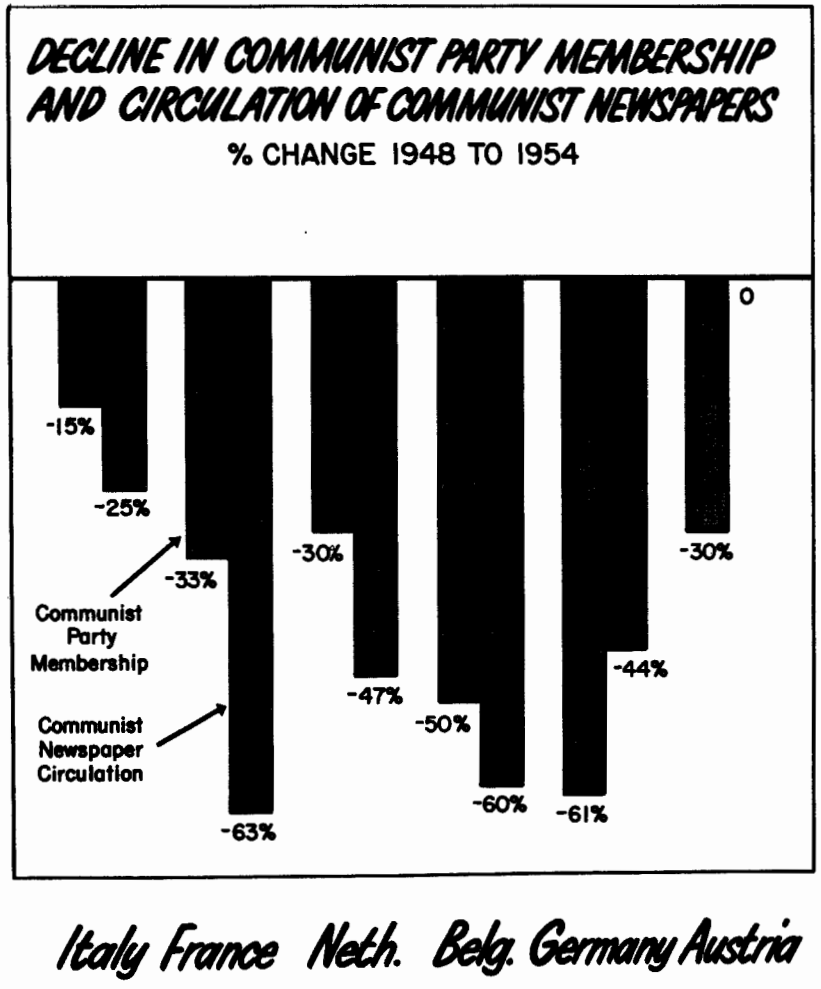
TOTAL FOR OEEC COUNTRIES: 1950 = 100



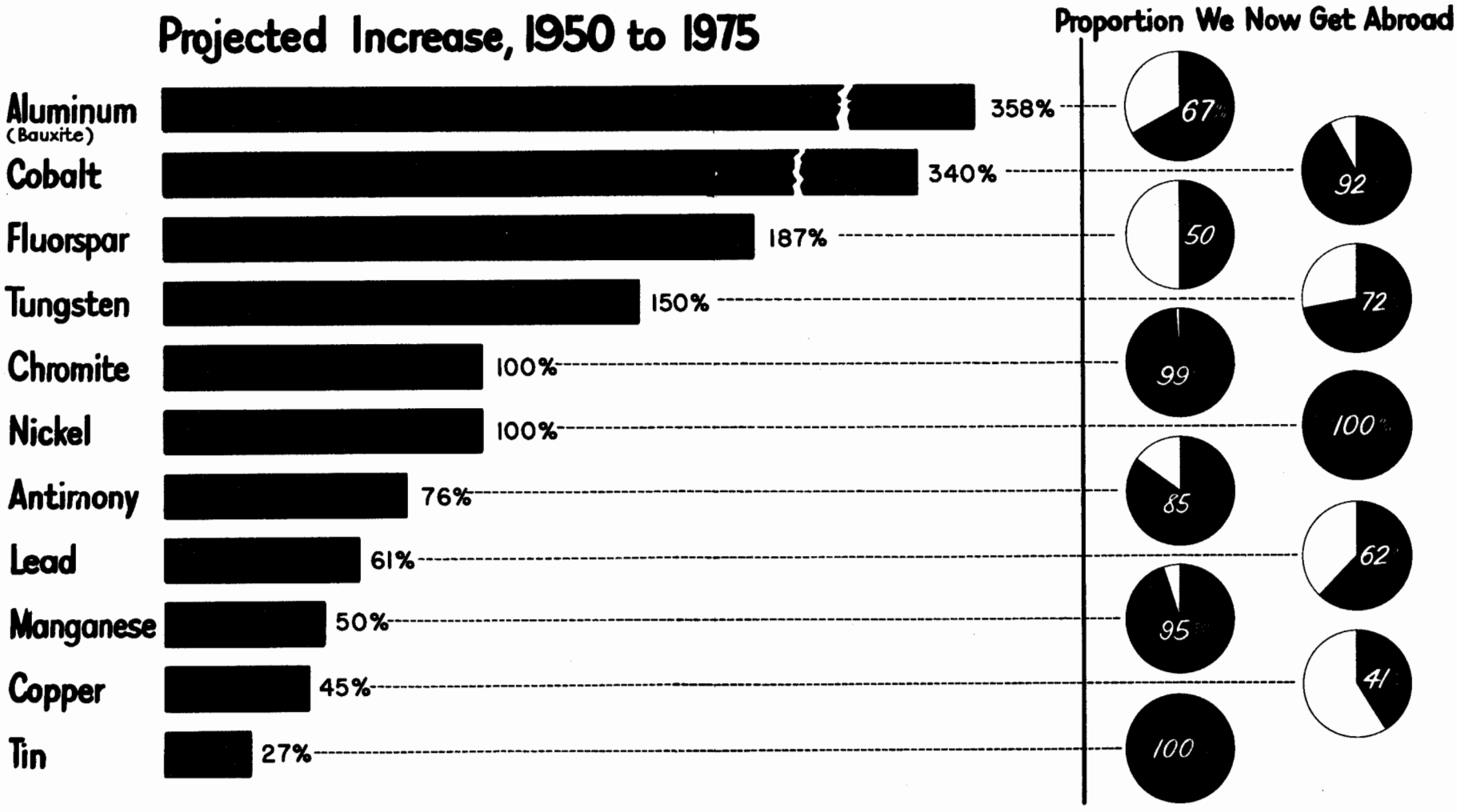
322

COMMUNIST INFLUENCE RECEDES IN WESTERN EUROPE



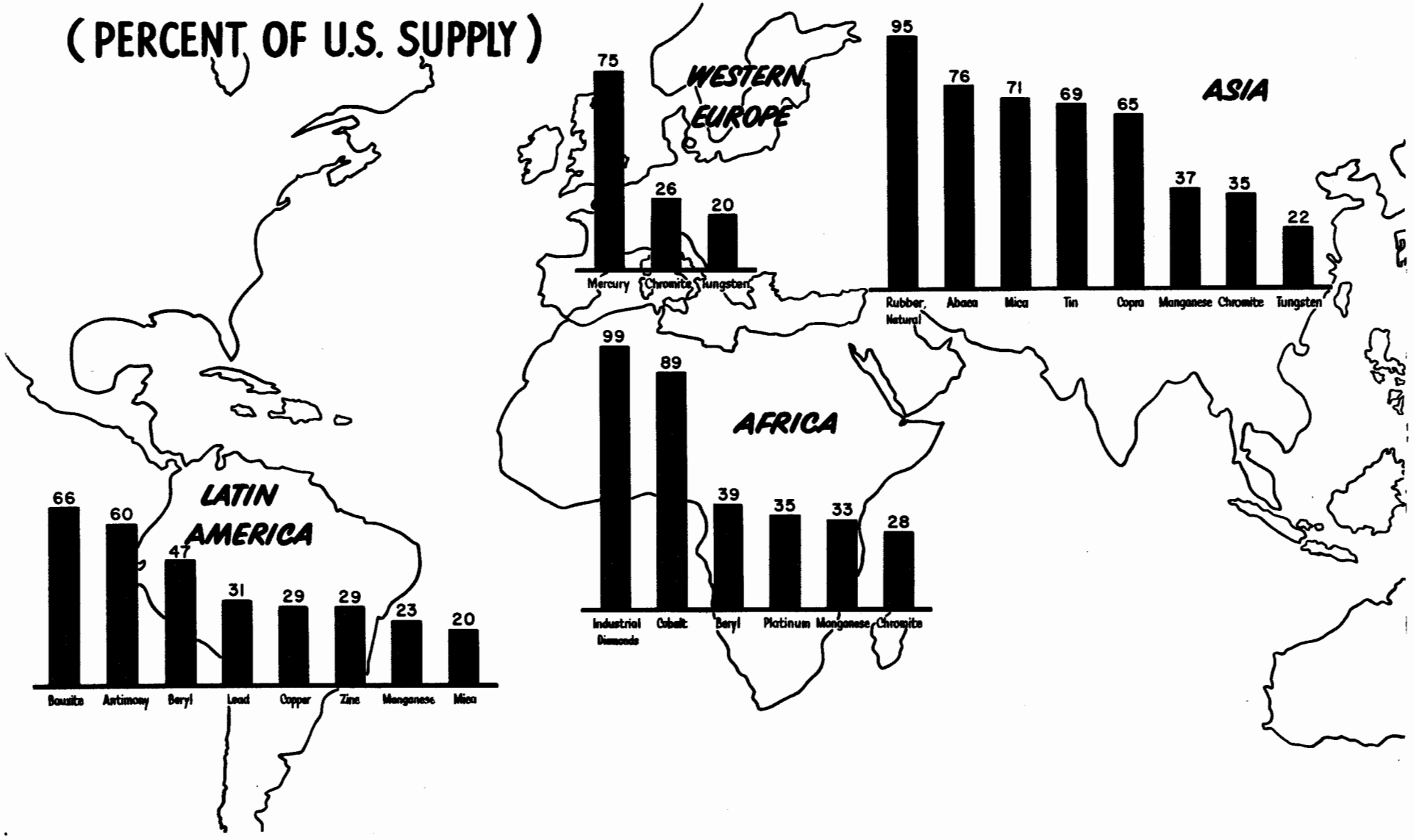


U.S. RAW MATERIALS REQUIREMENTS



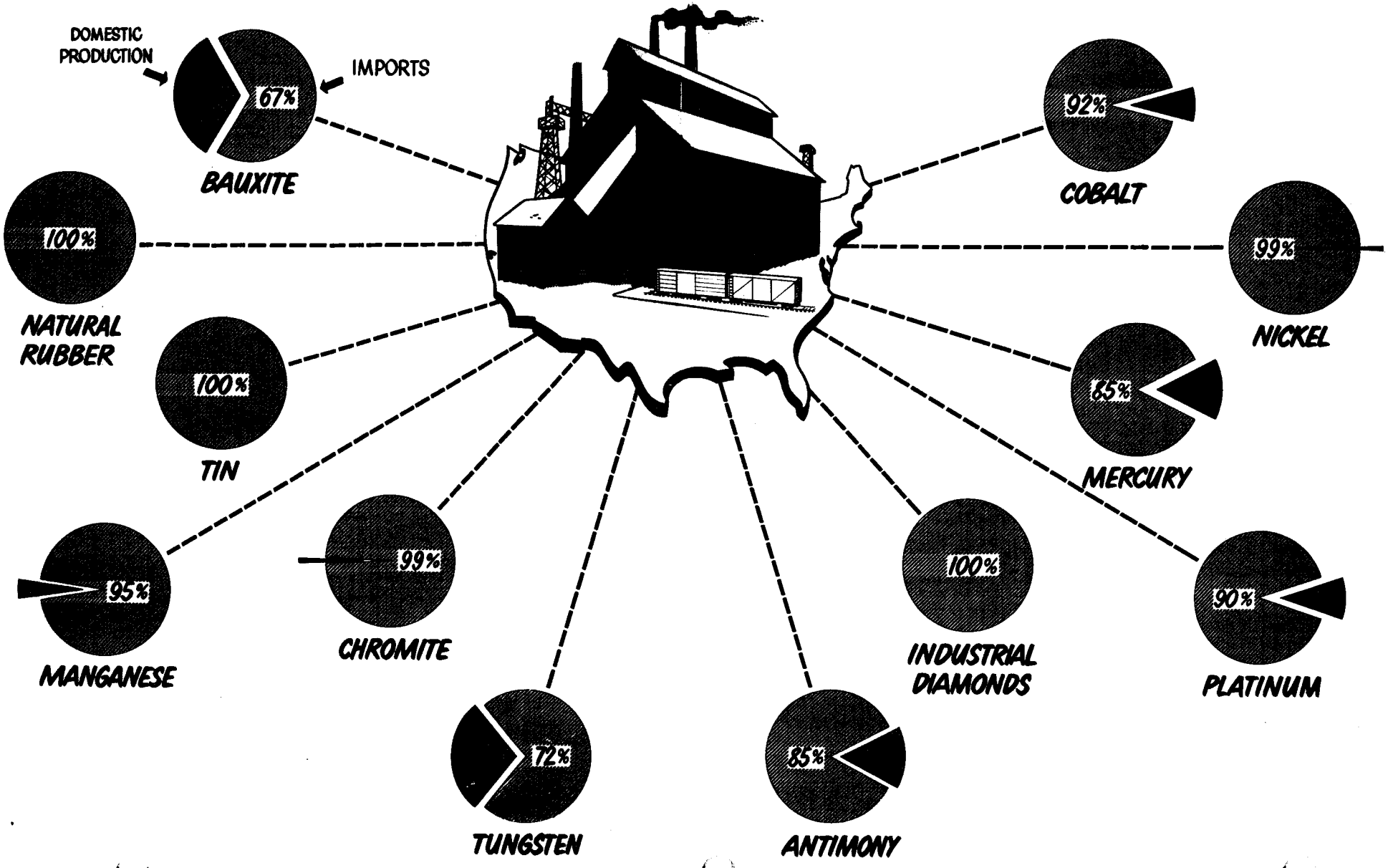
U.S. STRATEGIC MATERIALS SOURCES ABROAD

(PERCENT OF U.S. SUPPLY)



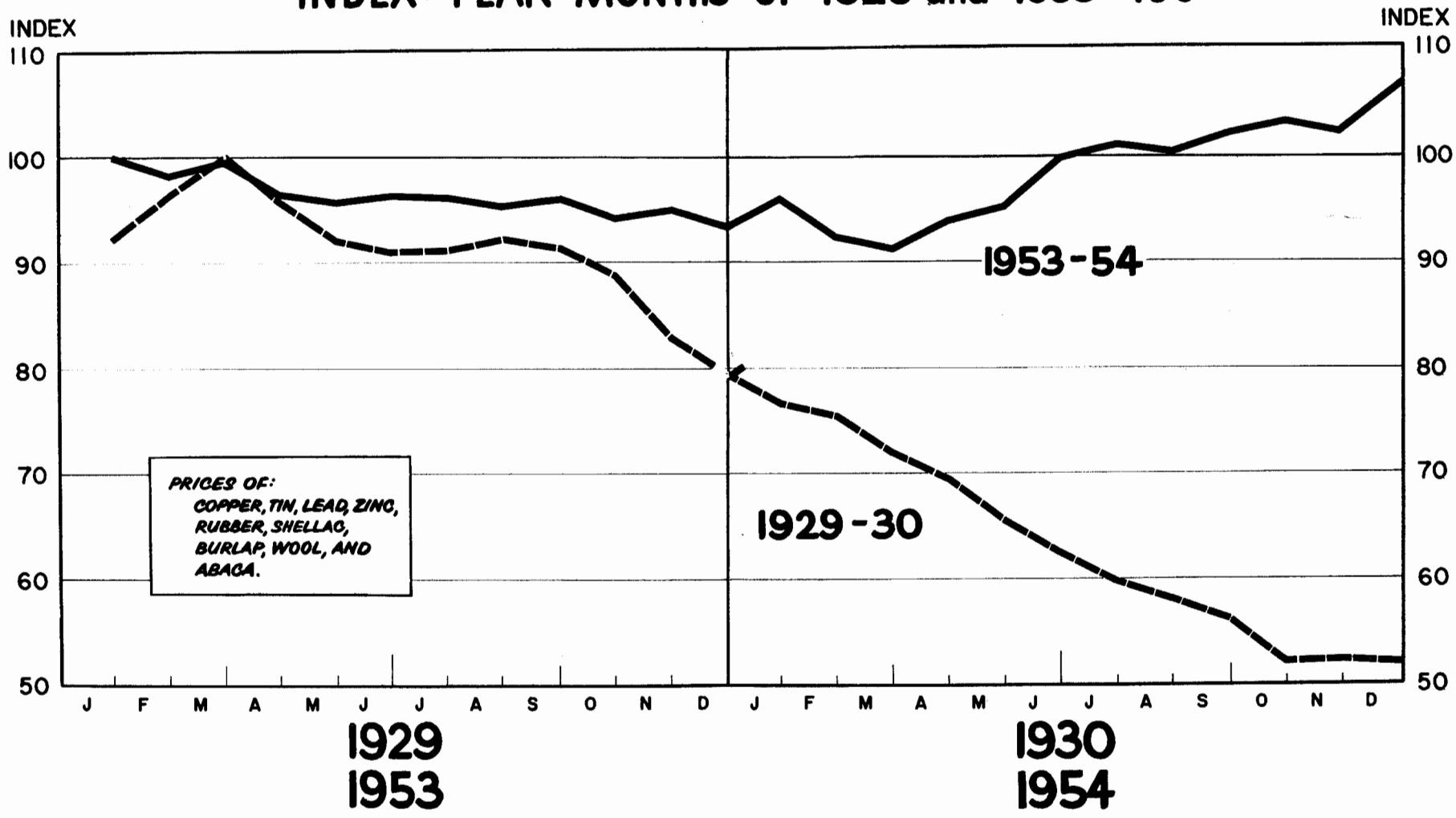
U.S. INDUSTRY DEPENDS ON IMPORTS

PERCENT OF STRATEGIC MATERIALS WE GET FROM ABROAD



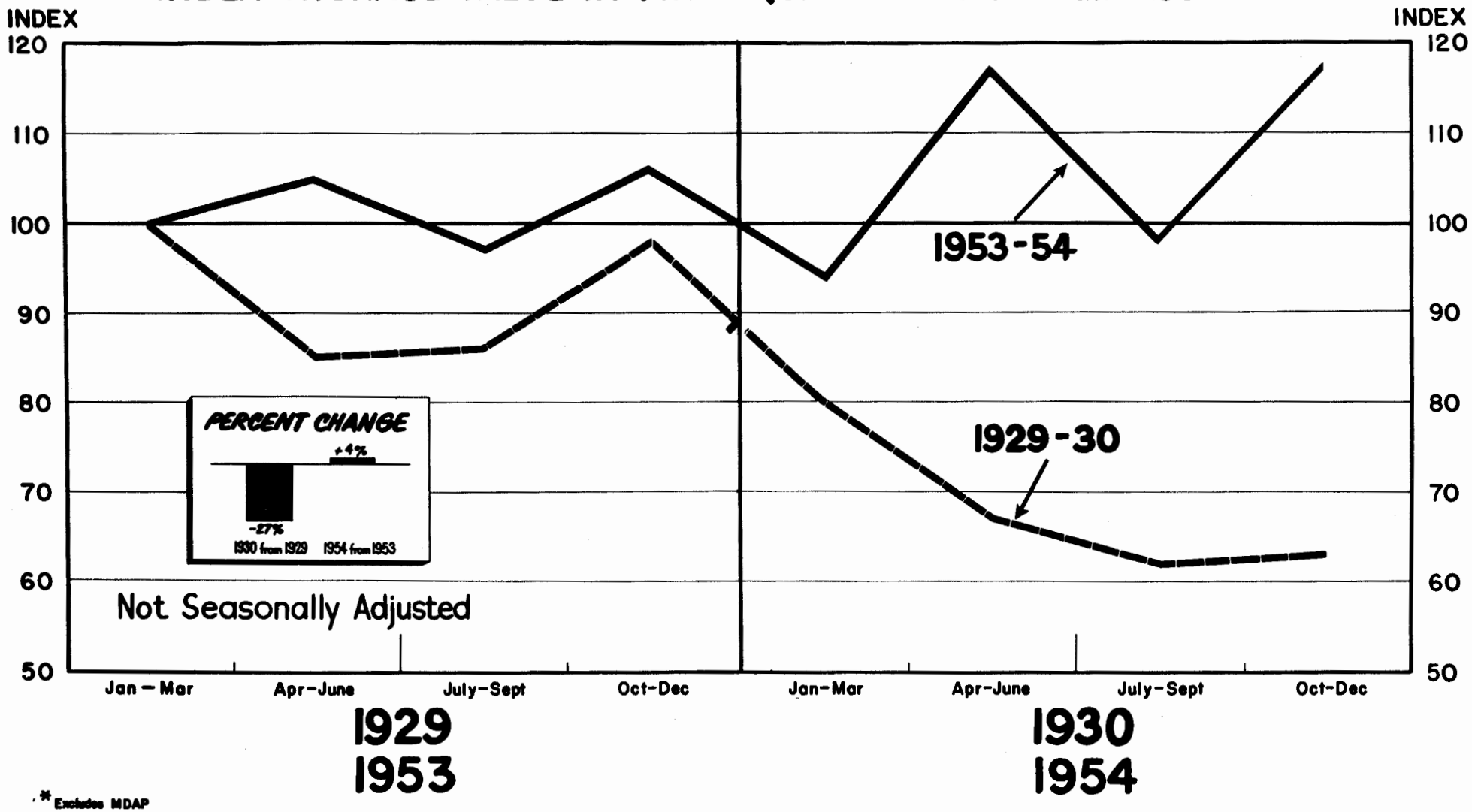
PRICES OF IMPORTED RAW MATERIALS

INDEX: PEAK MONTHS OF 1929 and 1953 = 100



U.S. COMMERCIAL EXPORTS *

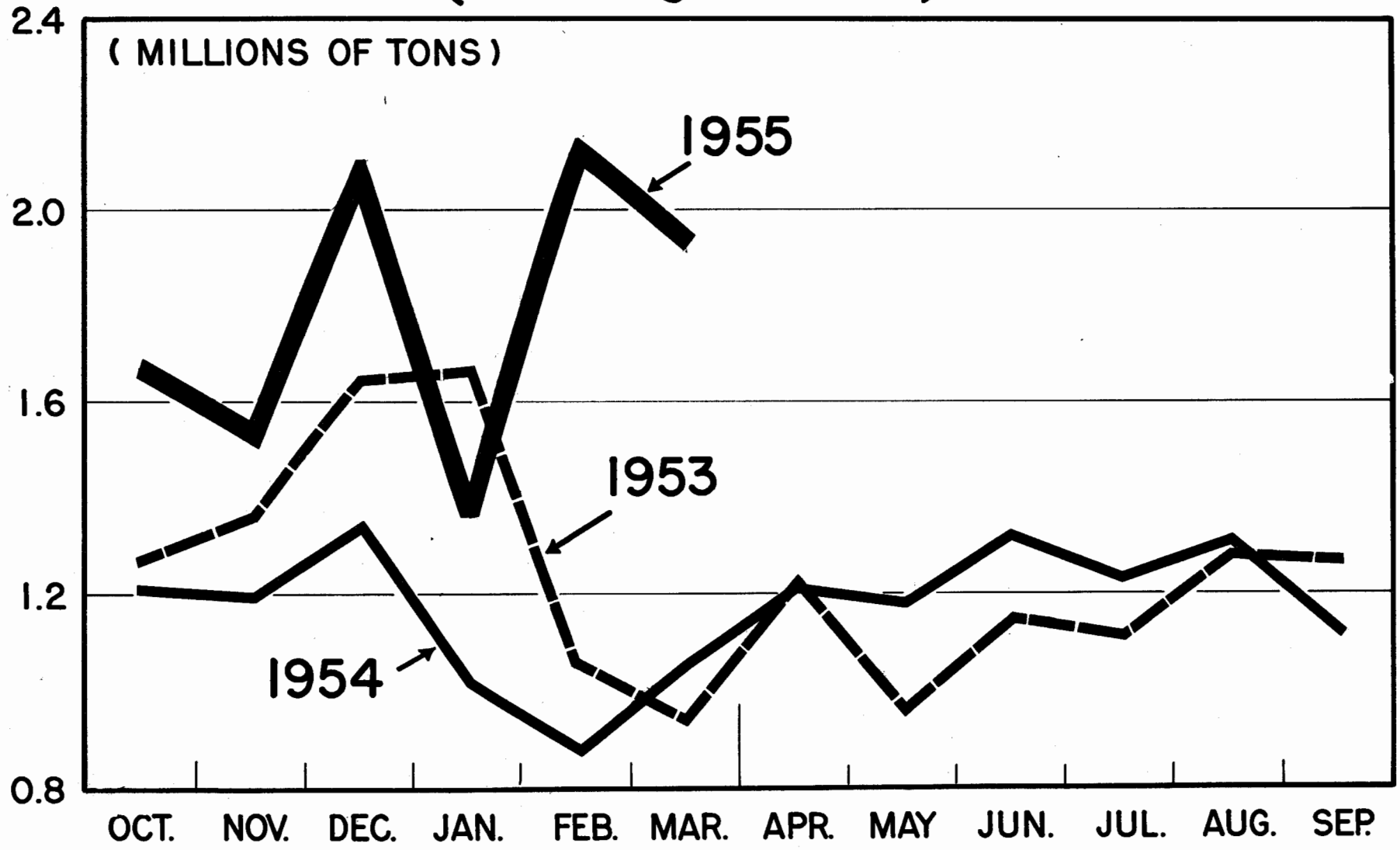
INDEX: AVERAGE VALUE IN FIRST QUARTER OF 1929 and 1953 = 100



* Excludes MDAP

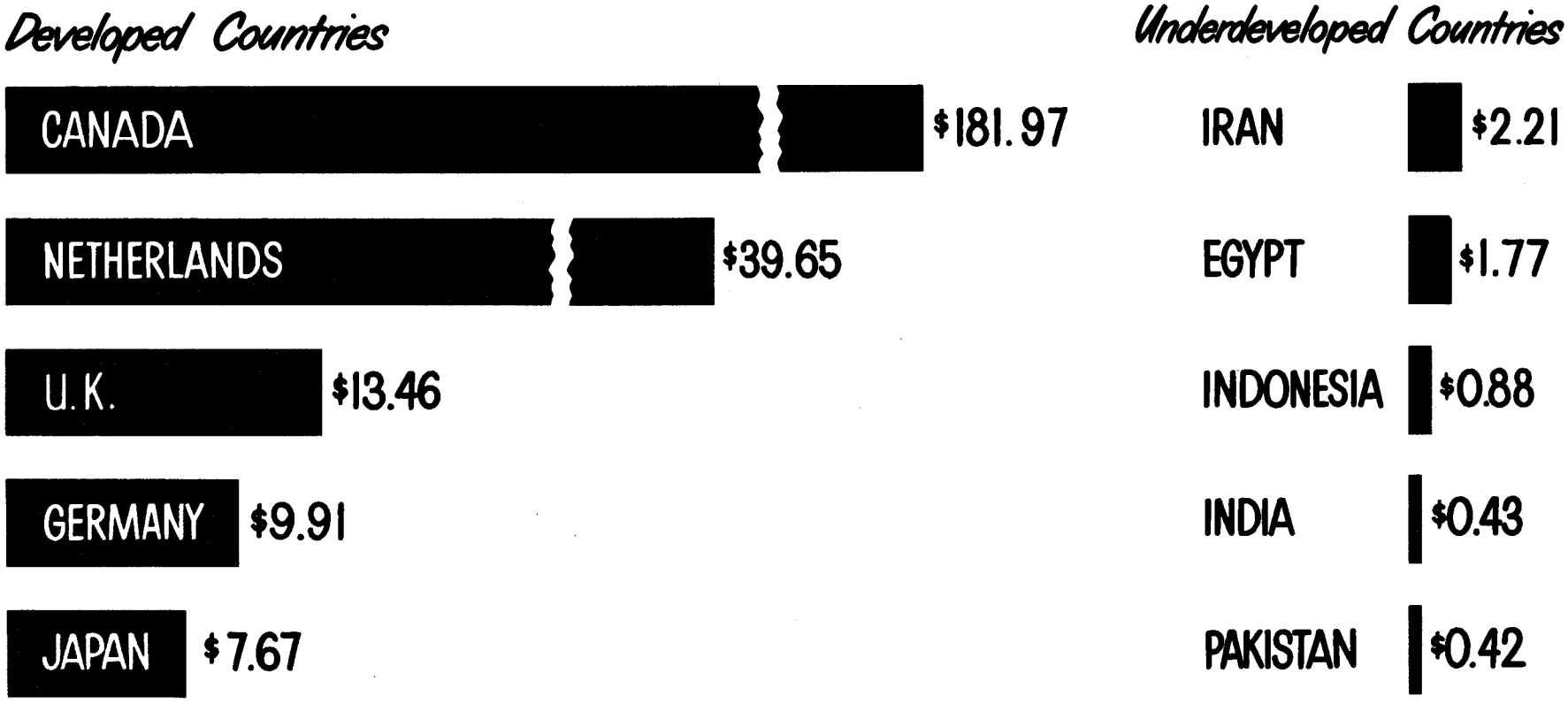
328

U.S. EXPORTS OF COAL
(Excluding Canada)



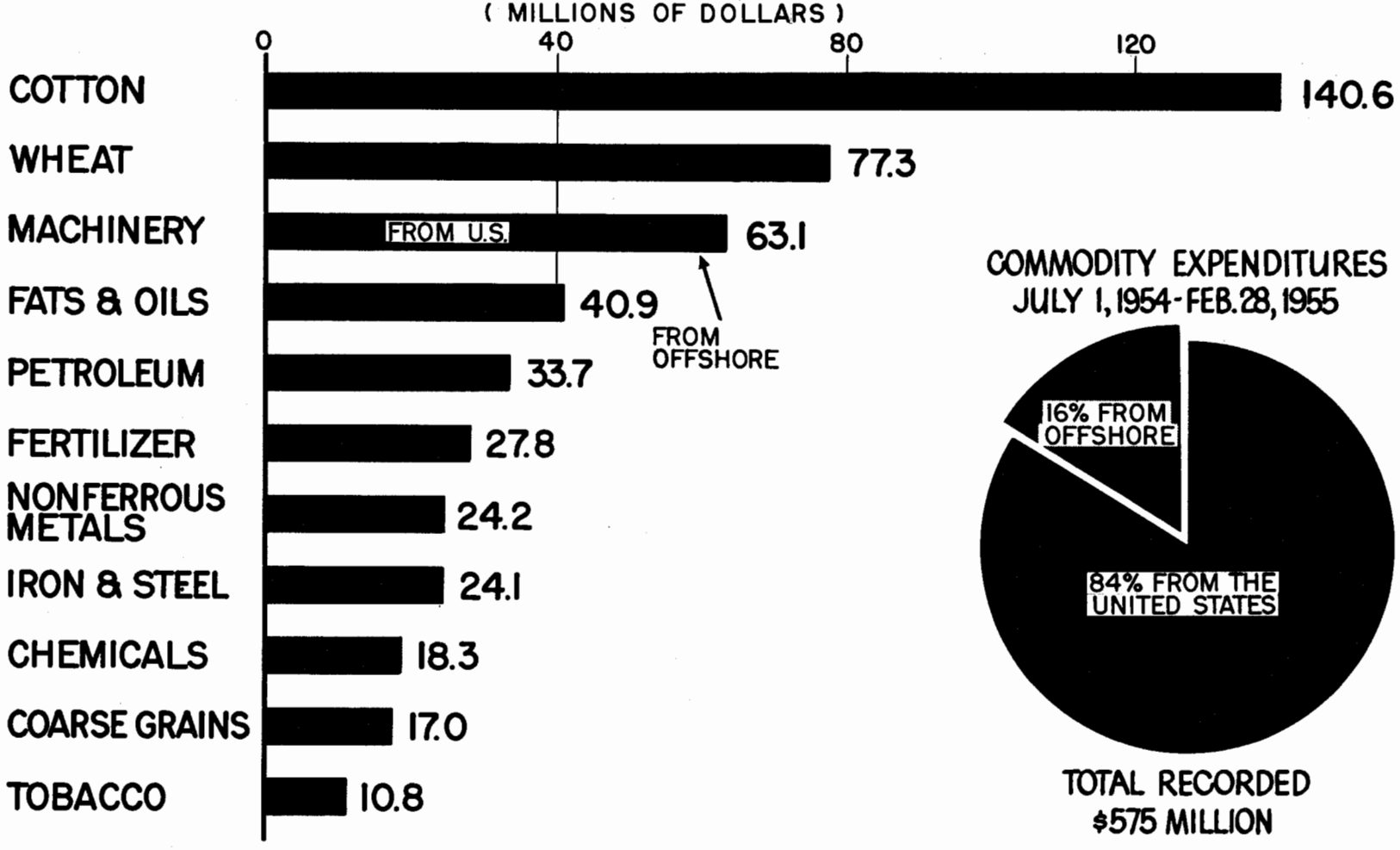
THE MORE DEVELOPED THE COUNTRY THE BETTER CUSTOMER IT IS

U.S. EXPORTS IN 1954 PER INHABITANT OF THE COUNTRY



U.S. SUPPLIERS PROVIDE MOST OF THE GOODS

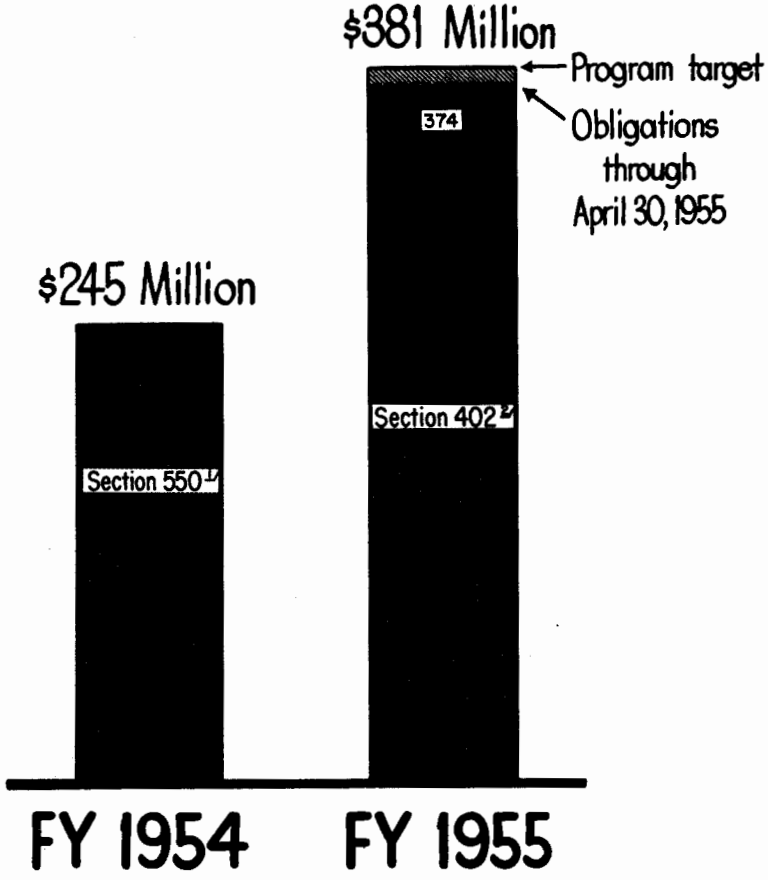
FOA PAID COMMODITY SHIPMENTS, JULY 1, 1954-FEB. 28 1955*



* Includes shipments under surplus agricultural commodity sales programs, data based on expenditures against procurement authorized in Washington

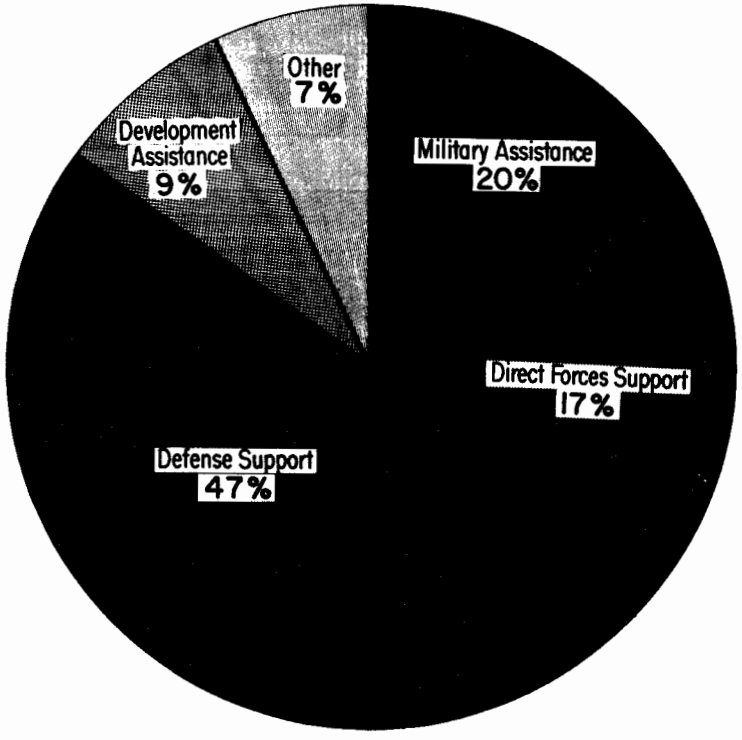
SURPLUS AGRICULTURAL COMMODITIES

FOA HAS SOLD MORE THAN $600 MILLION IN FY 1954 AND 1955



1/ Mutual Security Act of 1951, as amended.
2/ Mutual Security Act of 1954.
3/ Sales proceeds are 7.25 million in dollar equivalents under the dollar cost of commodities

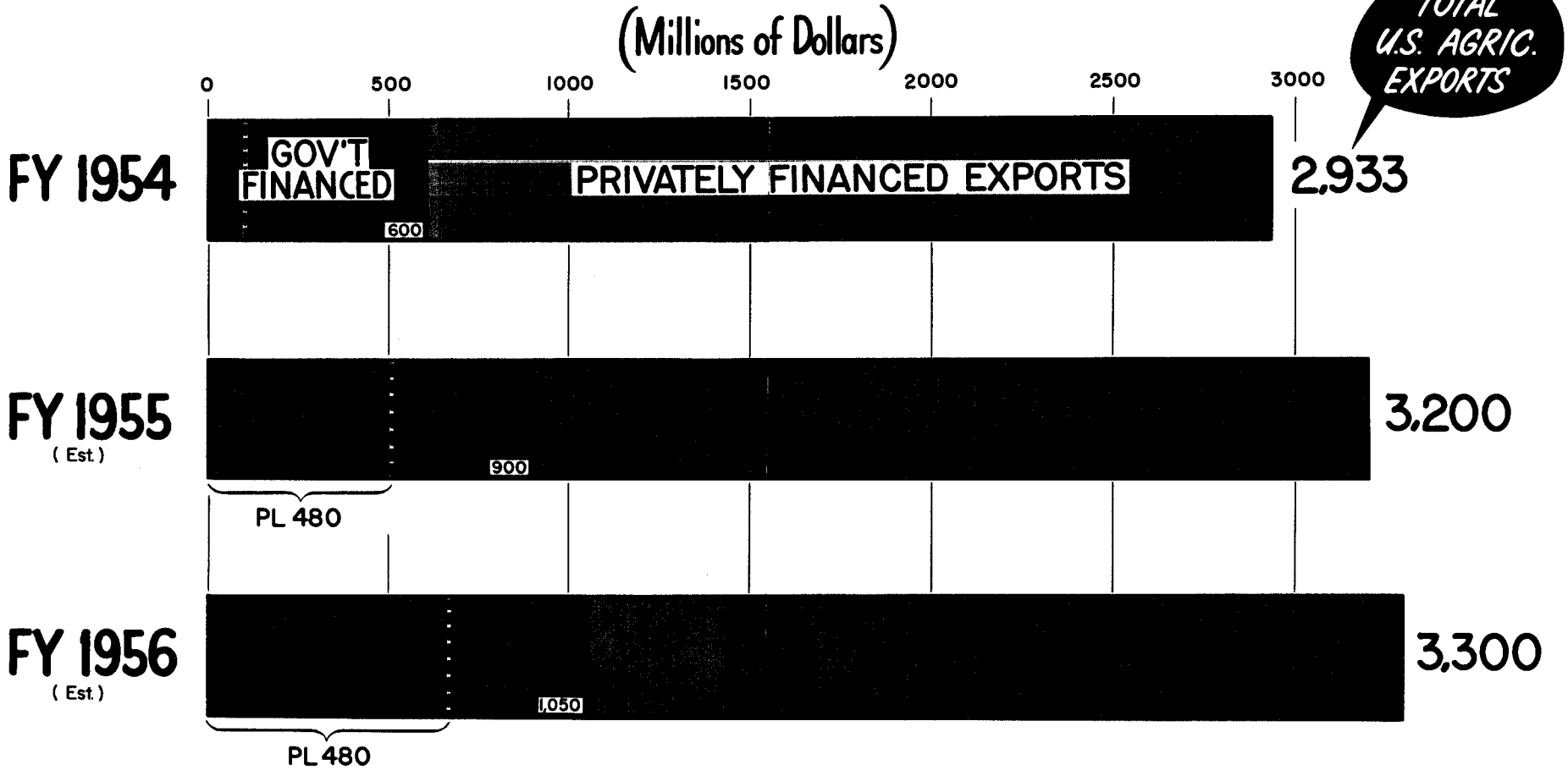
Sales Proceeds Are To Be Used For These Purposes:



612 Million in Dollar Equivalents 3/

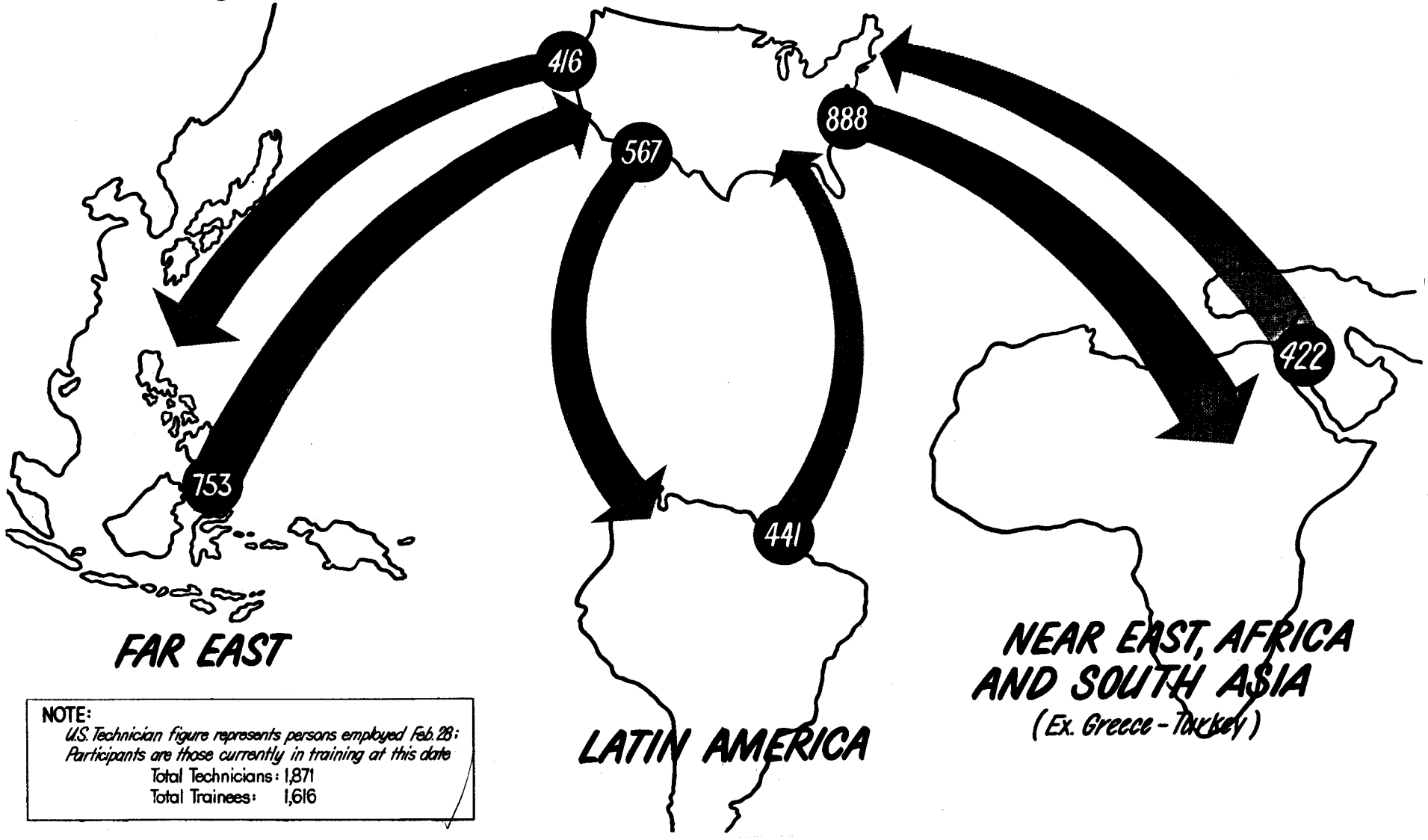
FINANCING OF U.S. AGRICULTURAL EXPORTS

IMPORTANCE OF GOV'T SURPLUS DISPOSAL PROGRAMS



NOTE: Excludes Export-Import Bank financing.

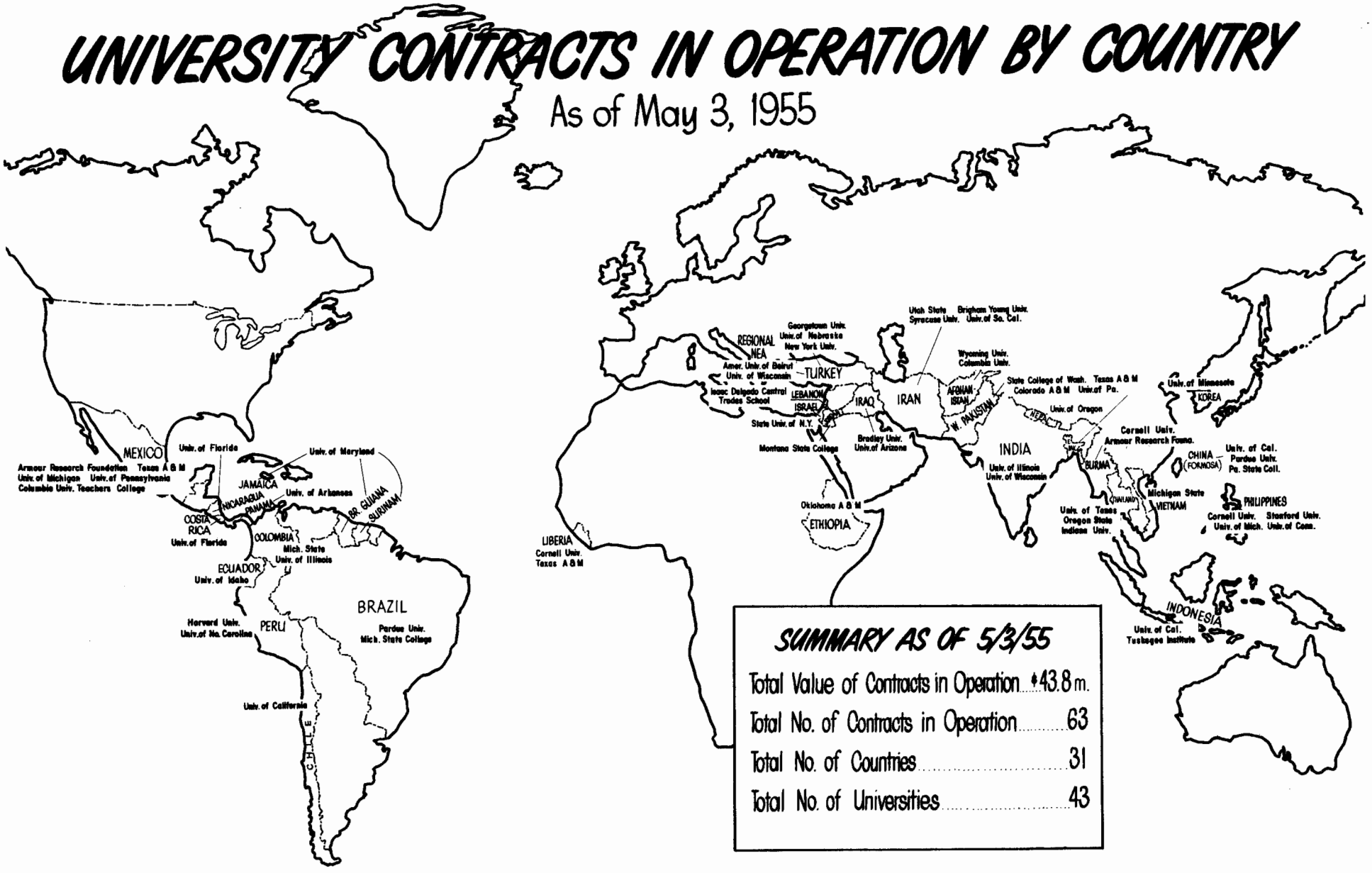
TECHNICAL PERSONNEL - AS OF FEB. 28, 1955



NOTE:
U.S. Technician figure represents persons employed Feb. 28:
Participants are those currently in training at this date
Total Technicians: 1,871
Total Trainees: 1,616

UNIVERSITY CONTRACTS IN OPERATION BY COUNTRY

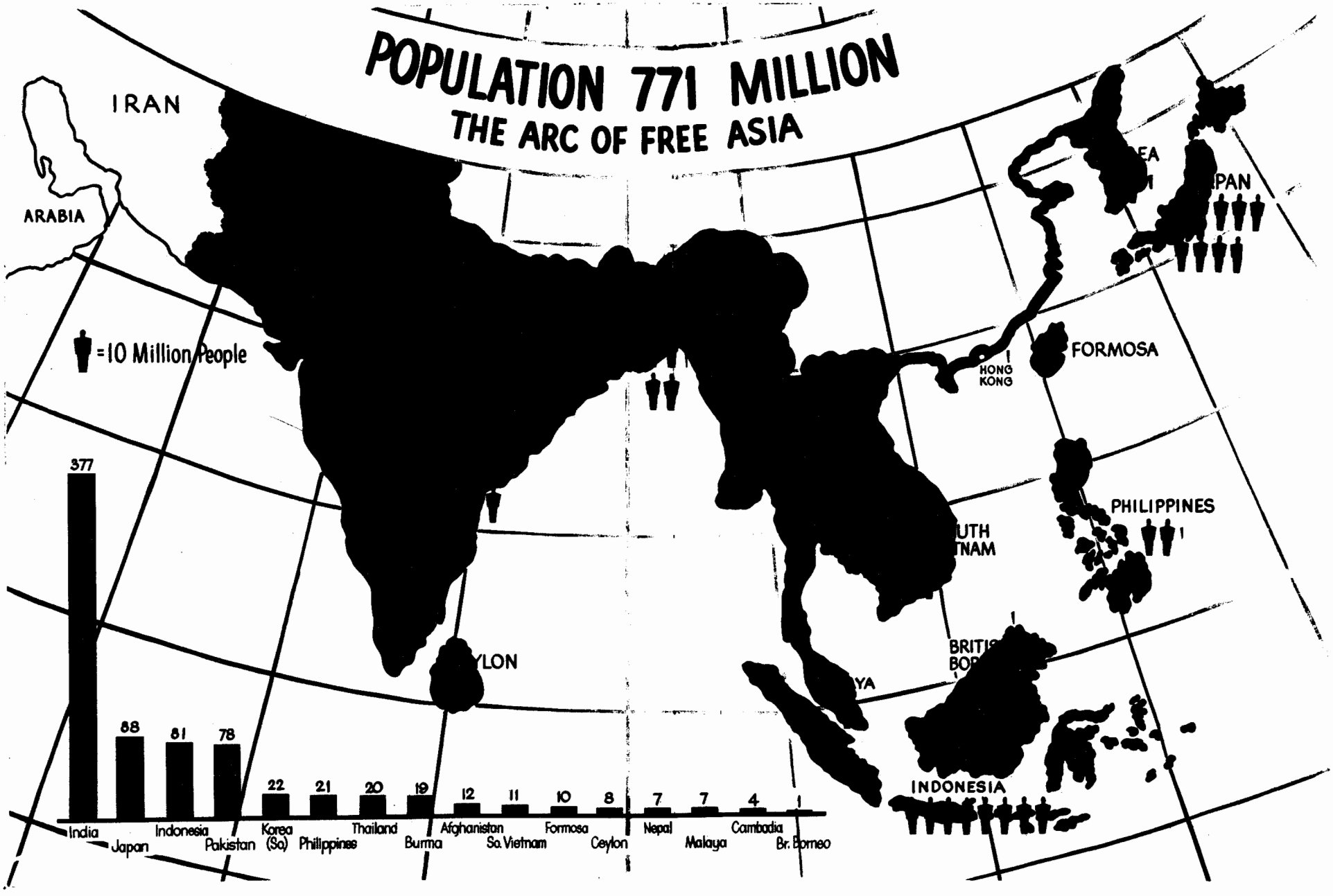
As of May 3, 1955



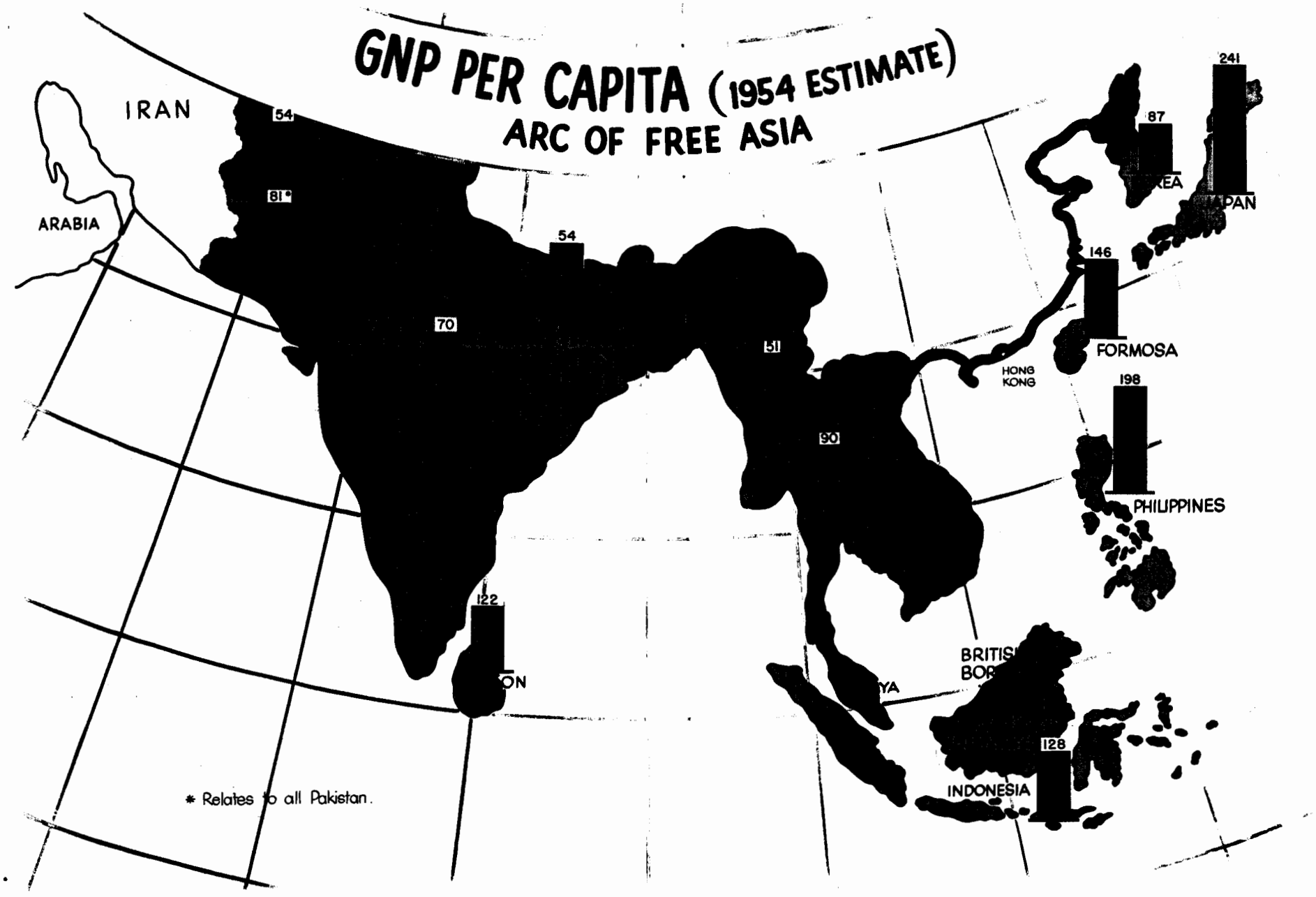
SUMMARY AS OF 5/3/55

Total Value of Contracts in Operation	$43.8 m.
Total No. of Contracts in Operation	63
Total No. of Countries	31
Total No. of Universities	43

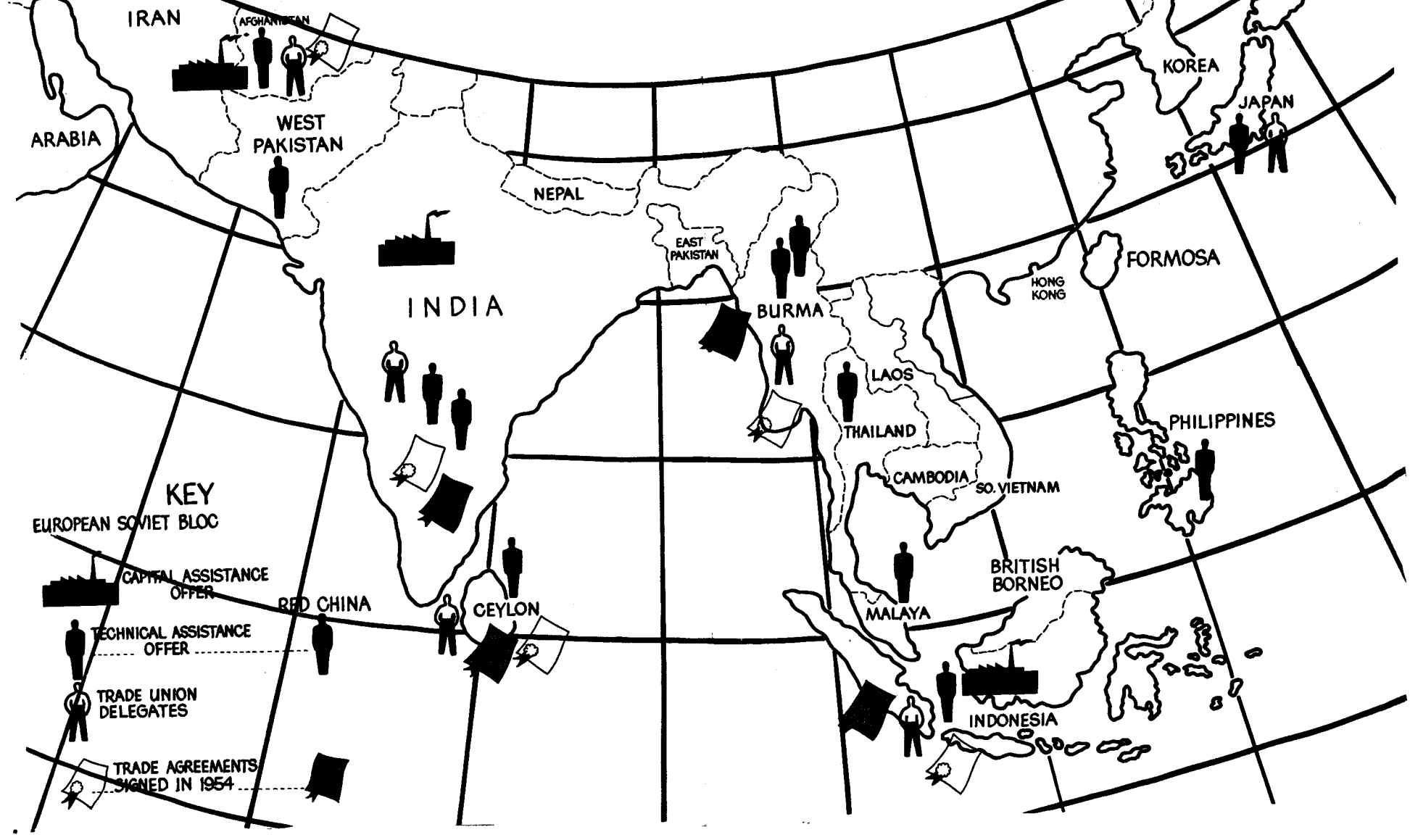
335


POPULATION 771 MILLION
THE ARC OF FREE ASIA
IRAN
ARABIA
=10 Million People
377
88
81
78
22
21
20
19
12
11
10
8
7
7
4
1
India
Japan
Indonesia
Pakistan
Korea (So)
Philippines
Thailand
Burma
Afghanistan
So. Vietnam
Formosa
Ceylon
Nepal
Malaya
Cambodia
Br. Borneo
HONG KONG
FORMOSA
PHILIPPINES
INDONESIA

COMMUNIST PARTY STRENGTH
IN THE ARC OF FREE ASIA
(Thousands)
IRAN
ARABIA
2
1
50
10
6
5
5
N.A.
VIETNAM
8
PHILIPPINES
FORMOSA
HONG KONG
85
2
4
N.A.
50
INDONESIA
• Refers to all Pakistan


GNP PER CAPITA (1954 ESTIMATE)
ARC OF FREE ASIA
IRAN
ARABIA
54
81*
54
70
51
90
122
ON
YA
HONG KONG
146
FORMOSA
198
PHILIPPINES
87
EA
241
PAN
128
INDONESIA
* Relates to all Pakistan.

SOVIET BLOC INTENSIFIES ECONOMIC WARFARE IN 1954



OVERSEAS CHINESE IN THE ARC OF FREE ASIA
(Millions)
IRAN
ARABIA
2.2
HONG KONG
FORMOSA
0.3
3.0
0.3
PHILIPPINES
1.0
3.0
0.2
INDONESIA
2.0
NOTE: Major concentrations only.

RESOURCES IN THE ARC OF FREE ASIA

FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE

FOA No. 373

ADVANCE RELEASE for A.M. Papers
of Friday, May 20, 1955

Montanari
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

RISE IN COAL EXPORTS
IS NOTED BY STASSEN

WASHINGTON -- An increase of 10 million tons in U.S. coal exports in indicated for the 12-month period ending in September if present loading rates are maintained, Harold E. Stassen, Director of Foreign Operations, said today. The estimate is based on preliminary loading figures of the National Coal Association.

These indicate total coal exports for April, 1955 of approximately 2½ million tons, the highest figure for one month since March 1952, and more than double the April, 1954 total of 1,218,000 tons. Similar increases have been marked during the past few months, and if present rates are maintained, total exports should reach 24 million tons for the year ending in September. This would compare with about 14 million tons during the previous 12-month period.

Stassen last fall stated that, in order to aid the depressed U.S. coal industry, FOA would finance more coal for export whenever it would fit the defense and industrial requirements of our partners in the Mutual Security Program. While the amount that could thus be used would be only marginal; he emphasized, it could still be an important factor in helping to revive sales abroad.

The program is somewhat parallel to the use of U.S. agricultural products, when these are in surplus supply and they can properly be used in the Mutual Security Program to supply the needs of other nations short of dollar exchange.

While the Foreign Operations Administration does not claim the credit for the current continuing increase in total coal exports, Stassen said, a portion of the shipments are directly attributable to Mutual Security Program financing.

Specifically, FOA has issued procurement authorizations to cover the financing of about 3.3 million tons in the past seven months for participating nations. This tonnage, procured from mines in at least nine States, has been shipped or is destined to 11 countries in Europe and Asia. Recipients are Korea, with 729,000 tons; Yugoslavia, 638,000 tons; Spain 534,000; France, 490,000; Denmark and the United Kingdom, 250,000 each; Finland, 150,000; Greece, 132,000; Italy, 100,000; Indochina, [illegible],000, and Israel, [illegible].

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While the continuing industrial revival in Europe and a shortage of Polish coal have tended to increase the demand for U.S. coal in that area, other factors have raised problems for FOA officials in carrying out the program to aid the U.S. industry. As the coal shipped under the FOA program has to be sold in the recipient country to raise the counterpart required, the U.S. coal must be competitive in price to that from other sources, and FOA must absorb that part of the shipping costs resulting from mandatory use of U.S. flag vessels, at rates which have increased since last fall.

Dollar financing of the coal, as well as the dollar cost of ocean transportation, also presented a problem, as FOA had no special funds for the program and had to finance it from regular Mutual Security Program funds along with surplus farm products and all other commodities required in the FOA program. Another problem has been to match the specific types of coal in surplus supply here with specific requirements in participating countries.

Besides the financing which added directly to the sale and export of U.S. coal, Stassen pointed out, FOA has indirectly increased exports by other means. In some cases, negotiations leading to coal export agreements under the Mutual Security Program also resulted in agreement by foreign governments to purchase U.S. coal with their own "free dollars" through straight commercial transactions, in addition to the amounts agreed on for FOA financing, or even without receiving any FOA-financed coal.

Furthermore, Stassen emphasized, the United States' assistance programs, both under FOA and back from the beginning of the Marshall Plan, have greatly strengthened the economies and the dollar reserve positions of a number of nations, to the extent that they are now able to import dollar goods, including coal, in increasing quantities through private commercial channels.

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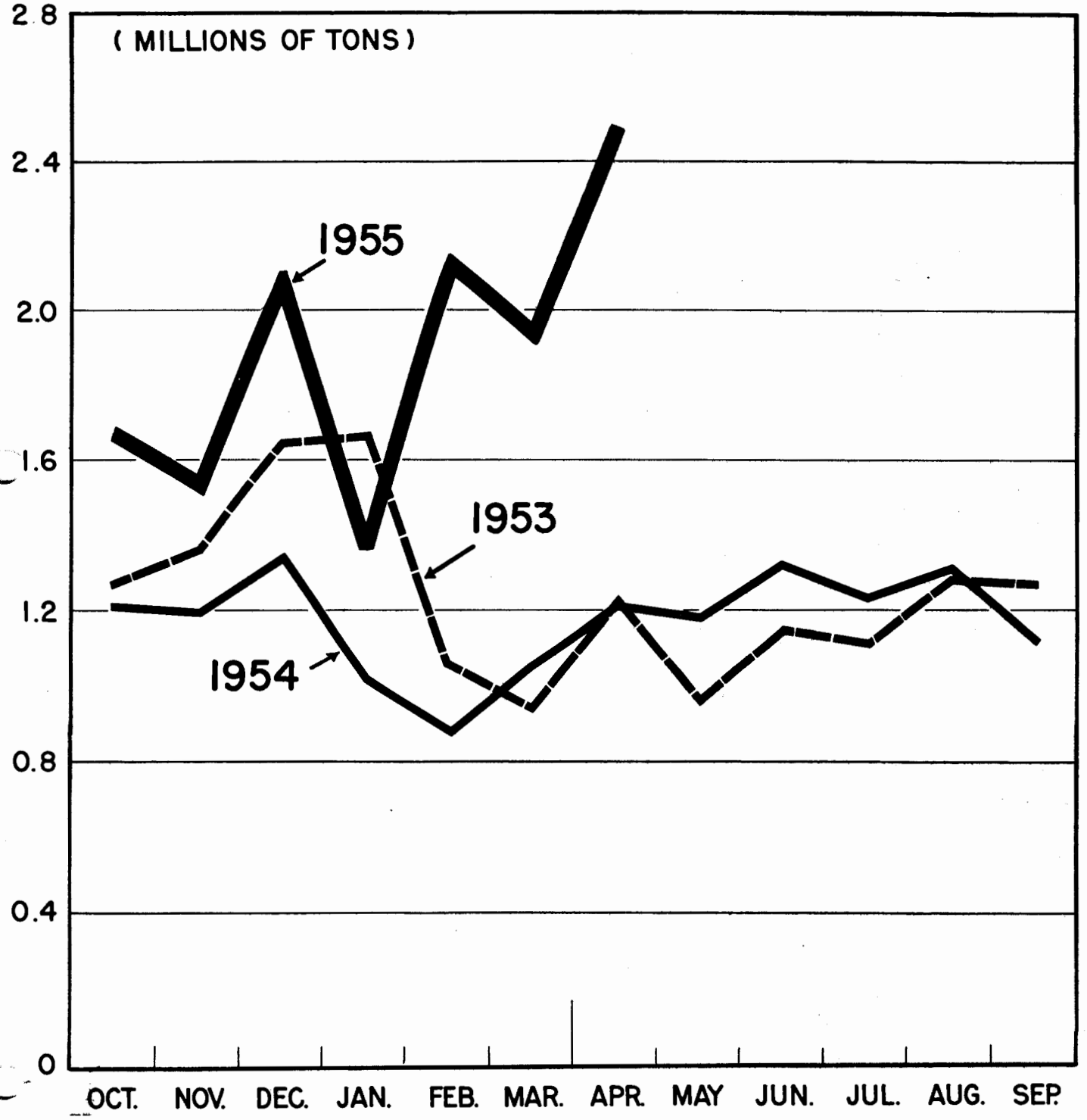
U.S. EXPORTS OF COAL
(Excluding Canada)



April based on loading in vessels.

FOA
FOREIGN OPERATIONS ADMINISTRATION
PRESS RELEASE

FOA No. 374

For Immediate Release
Friday, May 20, 1955

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

GUATEMALA TO GET
SURPLUS U.S. CORN

WASHINGTON -- Director Harold E. Stassen today announced the Foreign Operations Administration is making about 7,000 tons of corn available to Guatemala to help it over a critical shortage period preceding the harvest of the 1955 crop.

The corn will be transferred to the Government of Guatemala under Title II, Public Law 480, through which surplus agricultural commodity stocks of the Commodity Credit Corporation are made available to friendly peoples faced with famine or other urgent relief requirements.

In this instance the commodity will be sold by the Guatemalan Government, and local currency proceeds will be used for the benefit of a maximum number of persons in Guatemala.

Previously, the United States had authorized a total of $6,425,000 for economic aid and technical cooperation for Guatemala for fiscal year 1955.

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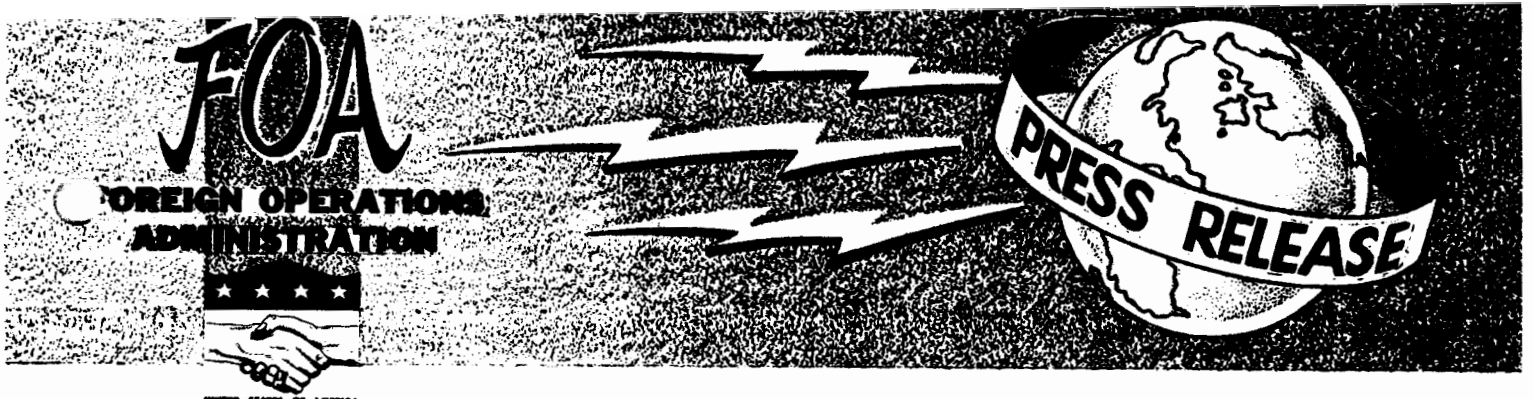

FOA No. 375

Immediate Release
Monday, May 23, 1955

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

$246,000 GRANT TO HELP HAITI REPAIR DAMAGE FROM HURRICANE

WASHINGTON -- FOA said today that it has made available $246,500 of a current $750,000 emergency aid program for Haiti.

The $750,000 is to be used primarily for the restoration of irrigation systems and farm-to-market roads damaged or destroyed by Hurricane Hazel last October and for the rehabilitation of farm lands.

Of the $246,500 made available, $196,500 is providing initial funds for work on the Anse d'Hainault--Source Chaude Road and the Voldrogue--Pourcine Road, which are used for coffee-hauling. The restoration of market roads will require a total of $325,000 this fiscal year.

The balance of the funds made available to date is for repair of a Leogane Plain irrigation dam, which will require an estimated total of $110,000 from fiscal year 1955 emergency aid funds for Haiti.

The 15-mile Anse d'Hainault--Source Road, constructed by the Haitain Government, will be reconditioned. Hurricane damage to it included felled trees, filled ditches, slides, and washing away of the surface.

The Voldrogue--Purcine Road, about 20 miles long, which is used also for hauling cacao and rubber from the interior to the Port of Jeremie for export, will be resurveyed.

The Haiti Ministry of Public Works will do the road work.

In the Leogane project, the money is being used for the reconstruction and raising of the main irrigation dam, about 120 feet of which the hurricane washed away and seriously damaged; for the installation of control of sluice gates, and for general repairs to the structure.

Most of the actual construction work will be done by the existing joint Haiti-U.S. agricultural service organization.

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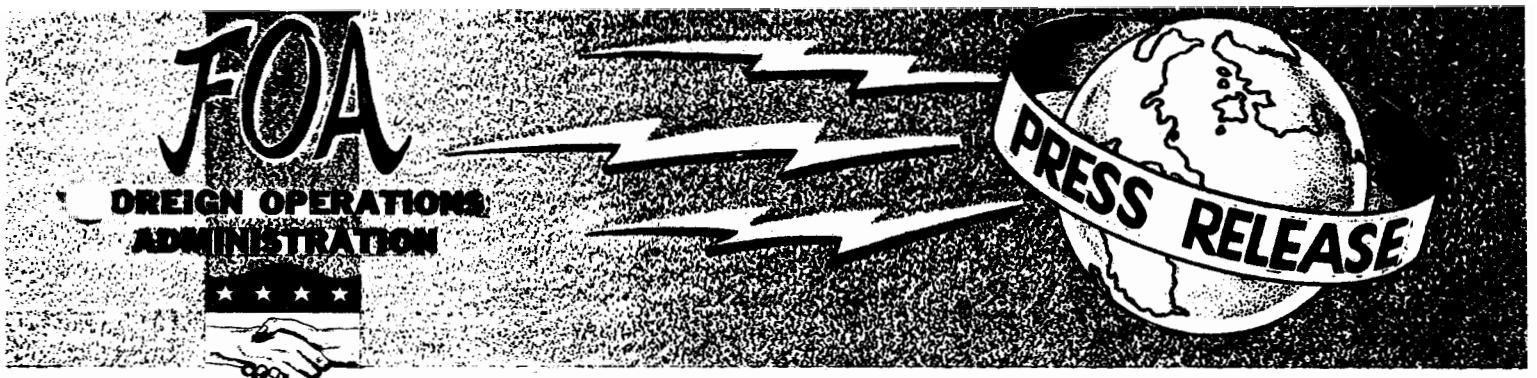

FOA No. 376

Immediate Release
Tuesday, May 24, 1955

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

LATIN AMERICAN HIGHWAY OFFICIALS
TO ATTEND FOA-SPONSORED SEMINAR

WASHINGTON -- FOA today announced it is sponsoring a four-week seminar for Latin American highway and other public works officials interested in general highway programs and problems.

Some 50 officials from all 20 Latin American republics and the dependent overseas territory of British Guiana have been invited to attend the seminar, scheduled to start here June 20.

The seminar will include Washington sessions in highway administration, planning, design, finance, research, and maintenance, along with field bus trips to West Virginia, Ohio, Michigan, Wisconsin, and Illinois.

In West Virginia the officials will inspect the Turnpike and the State Highway Department equipment shops at Buckhannon. In Ohio they will inspect farm-to-market roads, and visit equipment companies, rubber tire factories, and the State Highway Commission. Similar visits will be made in Michigan, Wisconsin, and Illinois.

Officials from the following countries have been invited: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, and Venezuela.

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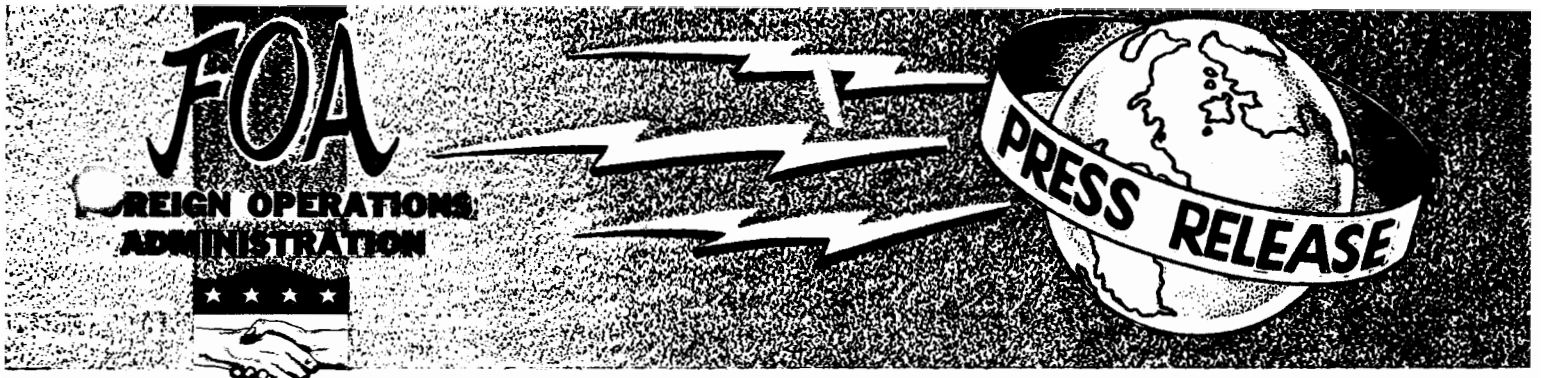

FOA No. 377

Immediate Release
Tuesday, May 24, 1955

Montanari
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

VULTEE SWORN IN AS DIRECTOR
OF U.S. NATO MISSION BRANCH

WASHINGTON -- Howard F. Vultee, New York banker, was sworn in this morning as director of the Office of Economic Affairs, U.S. Mission to NATO and European Regional Organizations. The brief ceremony was held in the office of Harold E. Stassen, Director of Foreign Operations.

Vultee, vice president of the Marine Midland Bank and Trust Co. and of the Marine Midland Corporation, succeeds Webster Todd, who resigned to return to his New York business interests as chairman of the Equity Corporation, president of Todd Associates, Inc. and director of several other firms.

Vultee, who was appointed by President Eisenhower and confirmed by the Senate last week, is scheduled to sail from New York with Mrs. Vultee on Thursday for his Paris post.

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DEPARTMENT OF STATE

FOR THE PRESS

MAY 25, 1955 CAUTION - FUTURE RELEASE NO. 293

FOR RELEASE AT 11:00 A.M., E.D.T., THURSDAY, MAY 26, 1955.
NOT TO BE PREVIOUSLY PUBLISHED, QUOTED FROM OR USED IN ANY WAY.

UNITED STATES, PAKISTAN SIGN INVESTMENT GUARANTY AGREEMENT

The United States and Pakistan today signed an agreement which provides United States Government guaranties for American private investments in business enterprises in Pakistan.

The agreement was effected by an exchange of notes between George V. Allen, Assistant Secretary of State for Near Eastern, South Asian and African Affairs, and Syed Amjad Ali, Ambassador of Pakistan, at the Department of State today.

Pakistan thus becomes the first Asian country between Turkey and Thailand to sign such an agreement with the United States and the 25th country to cooperate in a program first established in 1948, and extended in subsequent mutual security legislation.

The agreement, designed to encourage a U.S. private enterprise contribution toward the economic strength of Pakistan, provides for guaranties to American investors against loss from inconvertibility of foreign currency earnings into dollars or from expropriation.

The United States plans to draw the attention of U.S. business to opportunities for investment and development in Pakistan and is prepared to consider making guaranties to any person of new investments for the establishment, expansion, modernization or development of enterprises in that country. The U.S. investment guaranties are administered by the Foreign Operations Administration, but all guarantied investments must be approved by both the United States and Pakistan Governments. There will be no interference in the operation of the businesses involved, however.

It is anticipated that not only will U.S. capital be enlisted for Pakistan's aid, but American technical and managerial skills as well. Investments may be in cash, materials and equipment, patents, processes and techniques or services.

Pakistan, on its part, has already announced new measures designed to encourage foreign investment, including guaranties

covering

covering the repatriation of capital investment, equitable compensation in the event of nationalization and permission for foreign capital to hold up to sixty percent of the total investment in enterprises other than public utilities. In addition, the Pakistan Ministry of Industries has established a Business Facilities and Information Bureau which is equipped to provide necessary information on investment conditions and facilities.

Other countries cooperating in the U.S. private investment guaranty program are: Austria, Belgium, Republic of China, Costa Rica, Denmark, Ecuador, France, Federal Republic of Germany, Greece, Guatemala, Haiti, Israel, Italy, Japan, the Netherlands, Norway, Peru, the Philippines, Portugal, Spain, Thailand, Turkey (convertibility only), the United Kingdom (convertibility only) and Yugoslavia.

* * *

State--FD, Wash., D.C.

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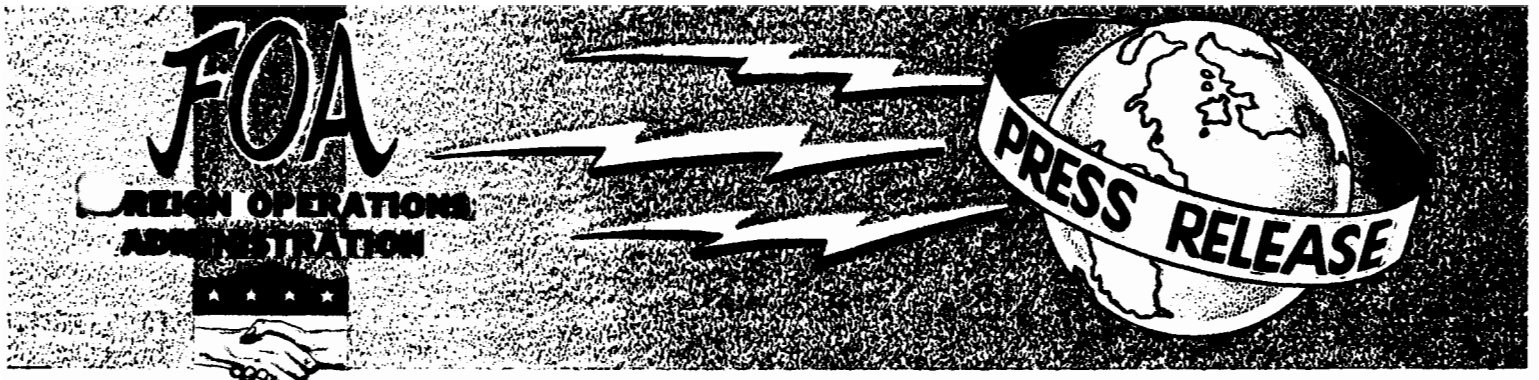

FOA
FOREIGN OPERATIONS ADMINISTRATION

PRESS RELEASE

FOA No. 378

For Immediate Release
Wednesday, June 1, 1955

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

MASS IMMUNIZATION OF CATTLE
IN SURINAM REPORTED SUCCESS

WASHINGTON -- What is believed to be one of the largest mass cattle immunization projects in Latin America was recently successfully completed in Surinam, FOA said today.

Reporting on the project to fight an outbreak of rabies among cattle infected by vampire bats in the Suriname District of the self-governing Dutch territory, the Foreign Operations Administration said that in a two-week period 5,013 head, believed to be all of the cattle in the infected area, were inoculated. Revaccination of about 1,500 of the cattle to continue control of the infection was then started.

The project was started April 2 after FOA rushed vaccine and other medical supplies to Surinam and sent Dr. Donald Bush, veterinarian with the FOA Mission to Haiti, to the South American country to assist J.B. Slack, chief agriculturist, USOM Surinam, fight the disease. The Government of Surinam, through the joint U.S.-Surinam Cooperative Service, had asked for help.

The campaign was carried on at top speed with Dr. Bush and Slack instructing local vaccinators. Suriname District Commissioners' men had first gone through the area, advising the people to have their cattle along the roads at specified times, and 770 cattle were inoculated the first day.

The relative smoothness and efficiency with which the campaign was carried out is a tribute to the cooperation of the Surinam Department of Agriculture, the cooperative service, FOA, and the farmers of the area it was reported.

It is to the latter, most of whom were Hindustani, small-scale farmers, that the greatest share of the credit should go, W. Alan Laflin, USOM Director Surinam, said. The farmers, in turn, were so appreciative of the American aid that they arranged a farewell for Dr. Bush before his return to Haiti, and presented him with a gift. It was a copper bowl and plate, with the inscription: "To Doctor Bush-from the farmers of Pad van Wanica."

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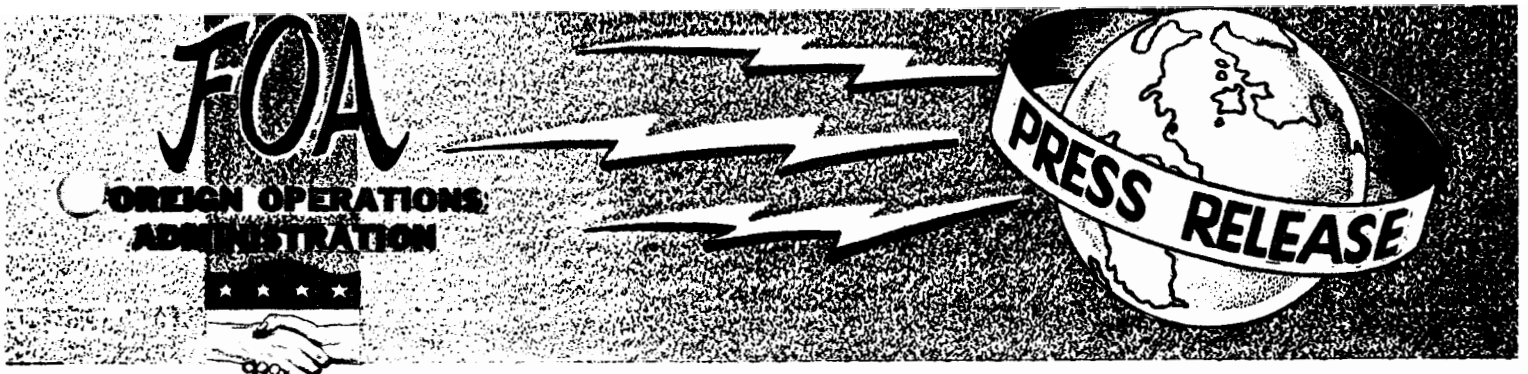

FOA No. 379

For Immediate Release
Thursday, June 2, 1955

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

FOA BRINGS PARAGUAYAN EDUCATORS
TO U. S. TO STUDY RURAL EDUCATION

WASHINGTON -- Twenty Paraguayan educators who will teach at a new U.S.-Paraguayan sponsored rural normal school in that country arrived in the U.S. this week for special training designed to help them revamp Paraguay's rural education system, FOA said today. They will be in the U.S. until August 20.

The normal school, now under construction at San Lorenzo, will be used to introduce pre-service teacher training for a new rural school program on which Paraguayan and U.S. educators are working.

Paraguay wants to develop a teacher training program adapted to the needs of its rural areas, where the administration, curriculum, and teaching methods have been patterned largely on the traditional European system, designed mainly for the education of the elite. Paraguayan educators feel that that system has little real relation to the needs of rural communities.

In January of this year the Foreign Operations Administration brought the 20 educators to Puerto Rico for five months of special study at the University of Puerto Rico. Upon completion of their present training in the U.S. they will return to Puerto Rico for an additional five months of study and observation.

The educators' training in the U.S. will include a tour of Washington and a brief visit to Boston to observe elementary schools and kindergartens in operation. Two weeks will be spent in Connecticut observing selected rural schools and taking part in an intensive seminar that will emphasize teacher education and rural edu[illegible]n.

In Chicago they will attend selected sessions of the National Education Association Convention and visit educational and cultural institutions in the area.

In a trip through the South there will be special study of the importance of arts and crafts, developed from locally available materials, in the life of mountain peoples similar to life in the rural areas of Paraguay.

In New York the educators will see a number of libraries, museums, the United Nations headquarters, Teachers College, Columbia University; and other cultural centers.

- more -

Miss Rufina A. Boggino, an elementary education specialist with the Inter-American Educational Cooperative Service, is leader of the group. Other members include school supervisors and directors, a training teacher, an agricultural extension agent, a radio instructor, and the like.

The itinerary:

Washington, D.C.	June 2 - 8 (Residence: Presidential Hotel)
June 2	FOA, welcome, program orientation, and evaluation of work done in Puerto Rico.
June 3	Department of Health, Education and Welfare, attend session of Congress.
June 6	Department of Health, Education and Welfare.
June 7	Wilson Teachers College.
June 8	Department of Health, Education and Welfare.
Boston, Mass.	June 10 - 12 (Residence: Essex Hotel)
New Britain, Conn.	June 13 - 27 (Residence: Campus, Teachers College of Connecticut.
Detroit, Mich.	June 30 - July 2 (Residence: Sheraton-Cadillac Hotel)
July 1	Ford Motor Company
Chicago, Ill.	July 3 - 9 (Residence: Palmer House)
Muncie, Ind.	July 11 - 22 (Residence: Delaware Hotel)
	Indiana University, Bloomington
Knoxville, Tenn.	July 25 - 27 (Residence: Park Hotel)
Asheville, Tenn.	July 29 - August 2 (Residence: Battery Park Hotel)
Washington, D.C.	August 5 - 10 (Residence: Presidential Hotel)
New York, N.Y.	August 12- 19 (Residence: Park Sheraton Hotel)

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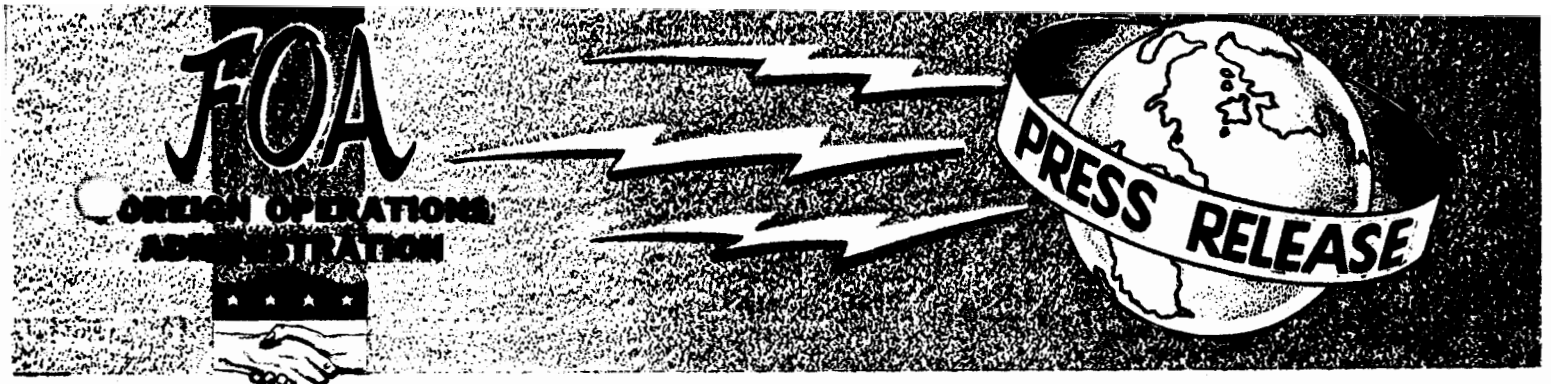

FOA No. 380

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release
Thursday, June 2, 1955
(Also announced in Jamaica)

FIRST TECHNICAL COOPERATION
PACT WITH JAMAICA IS SIGNED

WASHINGTON -- FOA today announced signing of an agreement with Jamaica, for its first technical cooperation programs in the largest of the British West Indies islands.

The agreement, covering programs in agriculture, health, education and other fields to be mutually agreed on, was signed by M.N. Wardesty, director of Latin American operations for the Foreign Operations Administration, and Archibald Campbell, colonial attache with the British Embassy here.

British and Jamaican officials have requested U.S. technical assistance to speed up a long range development program Britain is supporting to place Jamaica on a sound economic basis and to supplement the work of their own technicians in fields where they feel U.S. experience can make a greater contribution.

Last February at the request of the Governor of Jamaica an FOA planning group visited Jamaica to survey with local officials the nature and extent of possible U.S. technical assistance. The group recommended a staff of nine U.S. technicians and the training of about 12 to 15 Jamaican technicians a year in the U.S. and Puerto Rico.

An agricultural extension specialist will be sent soon to Jamaica as FOA's first and chief representative for the programs there. A supervised credit specialist, a vocational education specialist, and a nutritionist will be sent shortly thereafter.

FOA has allocated about $35,000 for programs in Jamaica for the current fiscal year and has requested $165,000 for fiscal year 1956.

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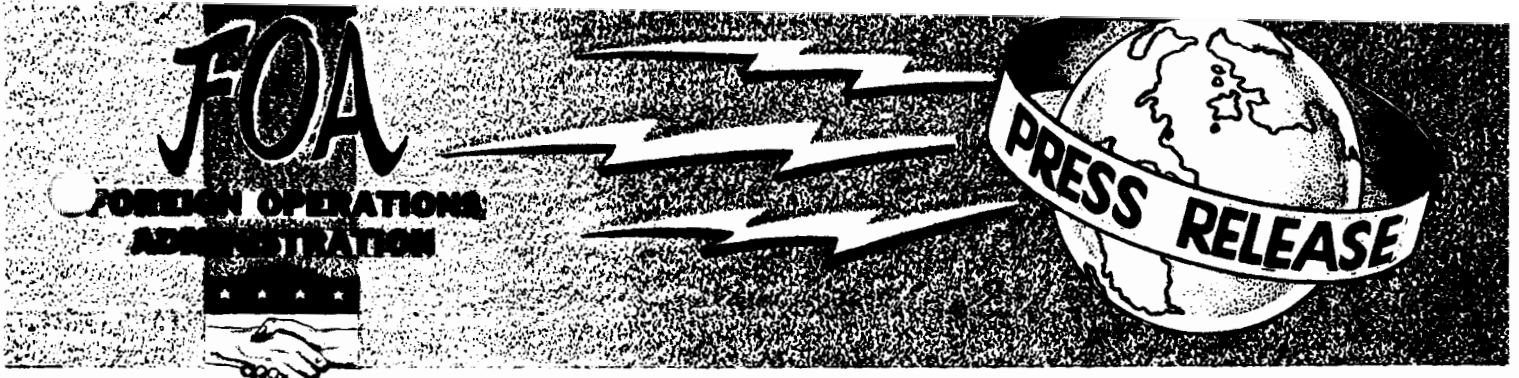

FOA No. 381

For Immediate Release
Friday, June 3, 1955

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

KOREA GETS 5,100-TON SHIP
UNDER MUTUAL SECURITY ACT

WASHINGTON -- The FOA today announced the transfer of the S. S. Gadsen, a 5,100-ton cargo vessel, to the Government of Korea under the terms of Section 132-b of the Mutual Security Act of 1954.

This section of the Act authorizes the transfer to Korea of up to eight of the "Cimavi" type vessels of World War II, from private or government sources within a two-year period. The Gadsen is the first vessel purchased by FOA for transfer to Korea under the act.

Korean Ambassador You Chan Yang yesterday took title to the vessel for the Korean Government, in a brief ceremony in the offices of Deputy Director of the U.S. Maritime Administration Walter Ford. The Maritime Administration procured the vessel for the Foreign Operations Administration.

The Gadsen, and subsequent Cimavi vessels obtained for Korea under the Mutual Security Act, are to be sold to the Korean Government for Hwan. The Hwan is deposited in the FOA-Korean "counterpart fund," which is then used by joint agreement of the two governments for carrying out reconstruction and rehabilitation projects in the Korean Republic.

FOA has issued procurement authorizations amounting to $6 million to initiate procurement of the vessels from private owners and the reserve fleet of the Maritime Administration.

The Gadsen is a dry cargo vessel, equipped with special gear for heavy lifting. It is to be taken to Korea by the Korean Government and turned over to the Korean Shipping Corporation for use in coastal shipping. FOA transportation experts said the diesel-powered Gadsen and other Cimavi vessels are ideal for shallow-draft coastal transportation around Korean waters, and said the sale of several Cimavi vessels is a part of FOA's program of providing a cheap and efficient means of internal distribution of both foreign aid shipments and Korean commercial goods in the Korean Republic.

- more -

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Korea's coastal fleet now consists of over-age ships obtained from various sources after World War II. The Cimavi vessels are expected to reduce operating costs considerably.

The Gadsen was obtained for FOA by the Maritime Administration from the American-Eastern Corporation of New York, and is presently in Seattle in care of the Pacific Far East Lines, as agent for the Government of Korea.

The Korean Government also has asked FOA to approve a technical assistance type project which would send an American merchant marine firm to Korea to train Korean merchant seamen in all aspects of seamanship, radio and radar operation, and other phases of marine navigation and ship operation. FOA now has the Korean request under advisement. Until Korea gained its independence at the end of World War II, the country had no merchant marine. Coastal shipping is now one of the important means of transportation for the new republic. Development of marine transportation is an essential part of the rehabilitation program being supported by FOA.

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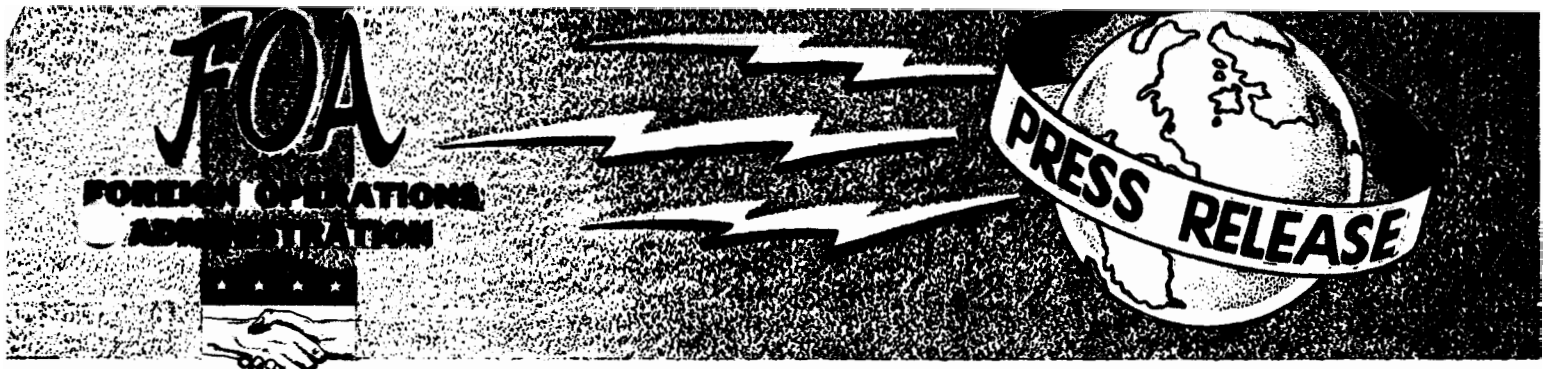
Korea, set up merchant marine academy, Seoul last yr

Maxwell

FOA
FOREIGN OPERATIONS ADMINISTRATION

PRESS RELEASE



FOA No. 382

For Immediate Release
Tuesday, June 7, 1955

Montanari
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

NATIONAL BISCUIT CO. ISSUED
GUARANTY ON VENTURE IN ITALY

WASHINGTON -- FOA today announced it has issued an investment guaranty to the National Biscuit Company covering a licensing arrangement which permits a firm in Italy to manufacture and sell certain National Biscuit products.

National Biscuit has licensed the Italian company, Motta, S.p.A. of Milan, to make some of its crackers and will provide formulas and other technical information, as well as the use of special machinery. In return, Motta will pay "Nabisco" royalties on the products it manufactures.

The FOA guaranty insures that Nabisco will be able to covert into dollars these royalties up to a maximum of $900,000 over a period of 10 years.

The manufacture of the Nabisco type crackers by Motta is expected to increase substantially the production of such products in Italy which may be used as a substitute for bread and which may be stored for a considerable time.

Motta at present has an important bakery business, but it is somewhat seasonal and the additional operations under the agreement with Nabisco should result in steady employment throughout the year, as well as increased production and lower unit production costs. American packaging techniques also will be introduced.

It is possible that substantial foreign exchange earnings may result from the sale of the Italian-made crackers in other European countries and in the Near East.

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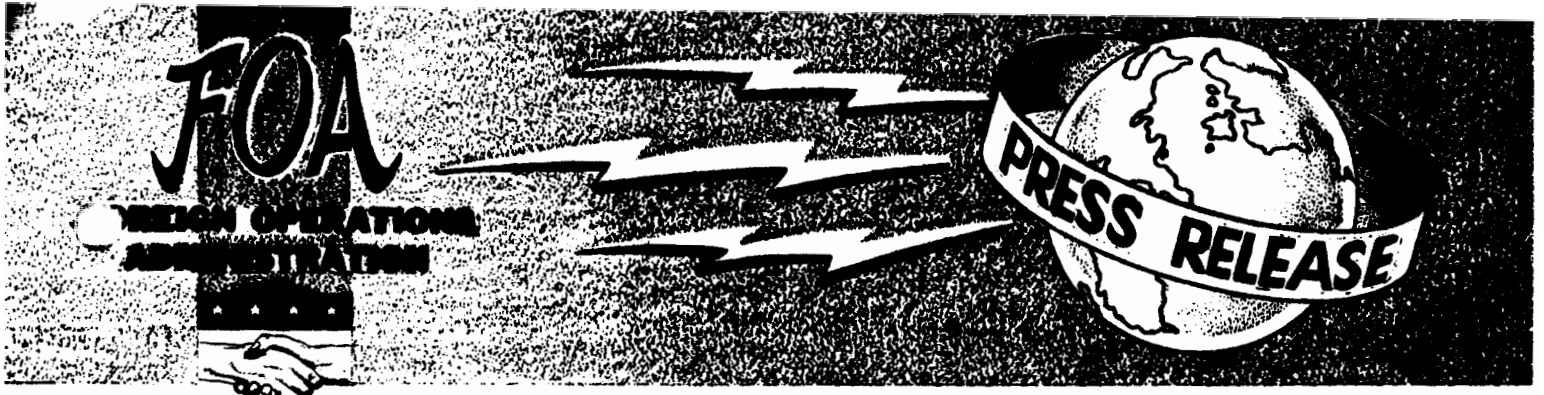

FOA No. 383

For Morning Papers of
Wednesday, June 15, 1955

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

INVENTION BY U.S. TECHNICIANS
SEEN BOON TO COFFEE PRODUCERS

WASHINGTON -- A processing machine that will help growers produce coffee at less cost has been patented by two FOA technicians, FOA reported today.

The technicians, Merriam A. Jones and Edgar de L. Davies, have dedicated the machine, the CAFEPRO, as a public service patent for use by the Government of the U.S. without royalties. They developed it while they were on the staff of the cooperative agricultural program in Guatemala, the Foreign Operations Administration said.

The CAFEPRO simplifies the process of separating the coffee berry's outer cherry pulp, or mucilage, from the inner beans by eliminating a long fermentation period.

In the present washing process, the berry's skin is removed by a pulping machine and the mucilage left to ferment from 12 to 50 hours in concrete bins. The beans must then be left to dry in the sun.

This process is time-consuming and presents the danger that over-fermentation may ruin the coffee beans because there is no way of separating the partially ripe and over-weight and under-weight beans which require different lengths of time for proper fermentation. Small growers who can't afford concrete bins usually put their beans on the ground to dry, which can impart an earthy and generally inferior flavor to the coffee.

The CAFEPRO, a mounted, compartmented trough, uses an alkali solution of wood ash and lime for washing, with the result that the coffee beans come out clean and free of mucilage in three minutes. Weight loss with the CAFEPRO is also less than that in the fermentation process, no little consideration to growers, who sell their coffee by weight. Loss with the CAFEPRO is from 3 to 6 percent less, FOA officials say.

The CAFEPRO is designed for two situations: to handle increased production resulting from the planting of better varieties of coffee, and to keep small farmers from having to install costly processing equipment.

- more -

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The CAFEPRO, when mass-produced, should sell for $150-175, the officials said. It is not yet in mass production. The CAFEPRO is being used by some priv growers, and the governments of several countries in Latin America have demonstrated its use to farmers. It can be adapted to small-farm coffee growing, where the farmer now dries the coffee beans himself or sells them to a middleman if he doesn't have the costly concrete fermentation bins.

An FOA official recently returned from Central America and the Caribbean Islands reports that he saw about 20 CAFEPROs or adaptations of it in use. With the free use of the patent, it is expected the device will be used throughout many of the coffee-producing Latin American countries with which FOA has technical cooperation programs.

The CAFEPRO, which took about three years to develop, is a good example of an achievement resulting from the cooperation of U.S. and host-country technicians, a primary objective of FOA's technical assistance program, the official said.

Merriam A. Jones, an American biochemist in the coffee section of the agricultural cooperative in Guatemala, was engaged in similar work with the Federal Agricultural Experiment Station at Mayaguez, Puerto Rico, before he joined FOA.

Davies, a horticulturist, is a native of Guatemala, born of an English mother and a Norwegian father. A graduate of the University of California, he left the cooperative program two years ago to become a student pilot with the U.S. Air Force.

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NOTE TO CORRESPONDENTS: A photograph and drawing of CAFEPRO are available on request to News and Publications Division, FOA Office of Public Reports, Room 409, 806 Connecticut Avenue, N.W.

FOA
FOREIGN OPERATIONS ADMINISTRATION

PRESS RELEASE

FOA No. 384

Barkley
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release

PAN AMERICAN TO HELP BOLSTER TURKISH
AIR TRANSPORT SYSTEM IN FOA PROJECT

WASHINGTON, June 15 -- FOA today announced the U.S. will help Turkey develop its air transport system.

The Foreign Operations Administration's program will be carried out under contract between Pan American World Airways System and the Turkish State Airlines (Devlet Hava Yollari).

Under the agreement, a corps of 24 Pan American technicians will train Turkish aviation personnel in modern techniques of airline operations and prepare them to take over both air and ground work. The contract covers a three-year period.

Headed by a Chief of the Technical Assistance Group, the team will assist Turkish nationals in operations, pilot training, dispatch, communications, maintenance, traffic and sales, treasury and accounting, and supply services.

A senior technical consultant and a senior executive officer will serve on a part-time consultative basis.

FOA will provide $475,000 from 1955 fiscal year funds for the project with provision for an additional allocation of $550,000 in each of the two succeeding years. The Turkish Government will contribute the equivalent of about $200,000 a year in Turkish lira.

Turkey is the eastern anchor of the North Atlantic Treaty Organization (NATO) and United States assistance programs are helping support and strengthen Turkey's defenses.

Turkish State Airlines serves 20 to 25 cities within Turkey, according to season of operation, and also has routes to Athens, Cyprus and Beirut. The internal network reaches all principal cities, including Ankara, the capital, Istanbul, Smyrna, Adana and Bursa. The line has a fleet of 30 planes and employs about 1,200 Turkish nationals.

This is the second FOA technical assistance project to use airline development to stimulate the economic and industrial growth of under-developed regions.

The first was signed in May and calls for Pan American to aid in the expansion and modernization of Pakistan's air transport system, the Pakistan International Airlines.

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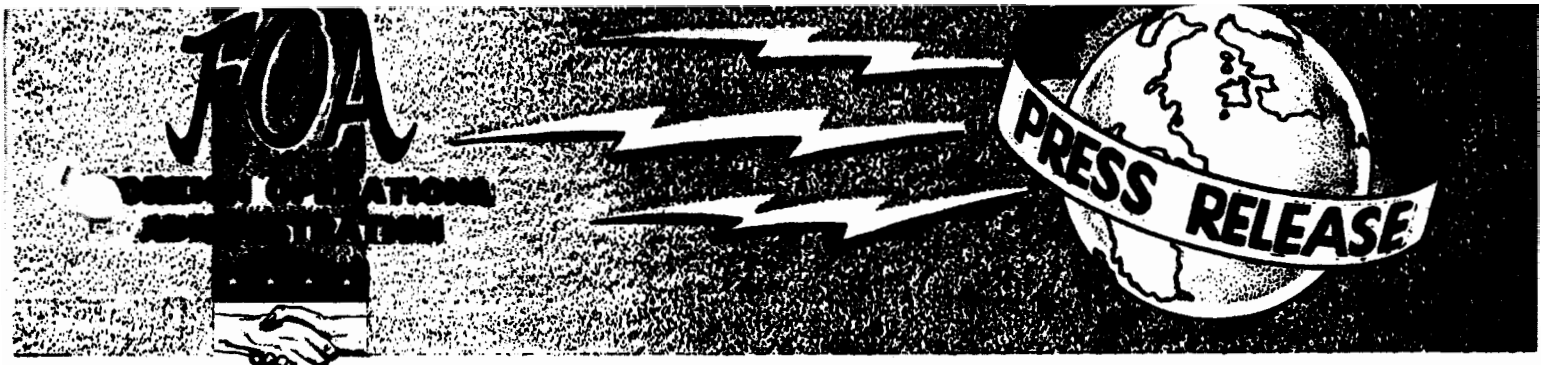

FOA No. 385

For Immediate Release
Thursday, June 16, 1955

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

TECHNICAL COOPERATION AGREEMENT
WITH BRITISH HONDURAS IS SIGNED

WASHINGTON -- FOA today announced signing of an agreement with British Honduras for the first U.S. technical cooperation program with this Central American territory.

The agreement, covering projects in agriculture, health, education, community development, housing and other fields to be mutually agreed on, was signed for FOA by M. N. Hardesty, president of the Institute of Inter-American Affairs, and by Archibald Campbell, colonial attache with the British Embassy here, on behalf of the Government of British Honduras.

The Governments of Great Britain and British Honduras have requested U.S. technical aid in specific fields for the country's economic development, which has Britain's financial support.

The Foreign Operations Administration's program of approximately $200,000 for fiscal year 1956 for its projects in British Honduras provides for technical advisers and training.

The first technicians for this new program are expected to arrive in British Honduras this summer.

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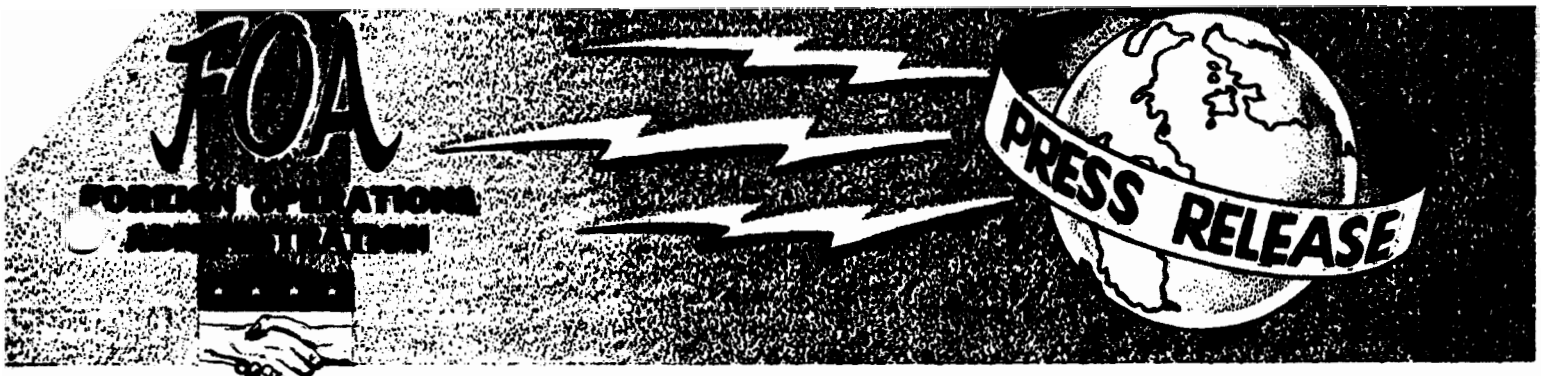

FOA No. 387

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Release in A.M. Papers of
Tuesday, June 21, 1955
(Also announced in Djakarta)

FOA CONTRACTS WITH U. OF CALIFORNIA
FOR ASSISTANCE TO INDONESIAN SCHOOL

WASHINGTON, June 20 -- The Foreign Operations Administration said today that it is sponsoring a technical cooperation project linking the University of California with Gadjah Mada University in Djogjakarta, Indonesia.

FOA has negotiated an interim $30,000 contract with the University of California to launch the undertaking. It is expected that this contract will be superseded by a full-term two or three year contract between the two schools, involving dollar costs of about $100,000 a year which will be financed by FOA.

The project is designed to help the Indonesian University expand and improve its facilities for training Indonesians in engineering and the sciences. Indonesia, undertaking a broad developmental program, requires increasing numbers of well-trained engineers and scientists to plan, supervise and execute projects for economic improvement of the country.

The need for trained personnel and the desire for higher education have more than doubled Gadjah Mada University's enrollment in the five years since Indonesia gained its complete independence. This expansion of enrollment has far exceeded the growth of the teaching staff, physical facilities, and curriculum.

The interim FOA contract will send a high level California faculty member to Indonesia within the next several weeks to help plan and prepare the longer-term program of association with the Indonesian school.

FOA's assistance to Indonesia, totaling $7 million this fiscal year, is aimed at helping that country mobilize and activate its indigenous resources, primarily by increasing the number of technically trained persons.

The University of California's School of Medicine last year began three years of technical cooperation with the University of Indonesia to develop and strengthen the medical school. Tuskegee Institute also is engaged in a three-year FOA-financed technical cooperation project for development of Indonesia's vocational education system.

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FOA for several years has been providing the services of a firm of American engineers to work with the Indonesian Government on plans for utilizing the country's vast natural resources and on a variety of other engineering problems including improvement of railroads, harbors, telephone and telegraph services.

In addition to the university and private specialists who are provided by FOA-financed contracts, FOA has in Indonesia a U.S. Mission staff which includes about 50 specialists in agriculture, industry, mining, natural resources, transportation, labor, health and sanitation, public administration and other fields.

These American technicians all assist in training Indonesian counterparts in their specialized fields. FOA also finances training in the United States for a number of Indonesian specialists and technicians each year. About 270 are scheduled to come to the U.S. this fiscal year.

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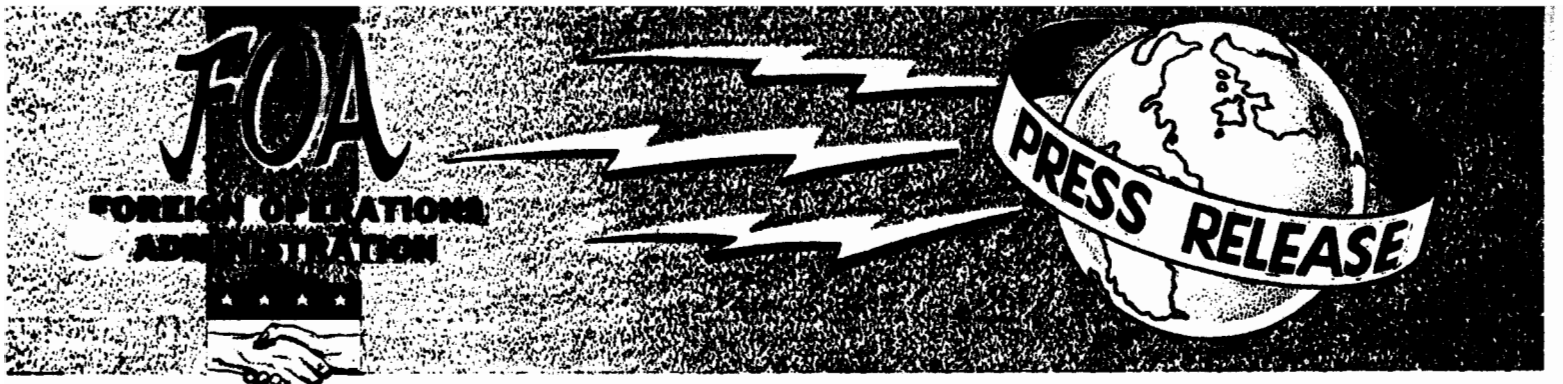

FOA No. 388

For Immediate Release
Wednesday, June, 22, 1955

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

FOA NEW MEXICO A&M CONTRACT TO ASSIST
PAKISTAN'S SIND AGRICULTURAL COLLEGE

WASHINGTON -- FOA today announced that it will finance two-years of technical cooperation between the New Mexico College of Agriculture and Mechanic Arts and Pakistan's University of Sind, which desires to strengthen the curricula and facilities of its agricultural college at Hyderabad.

New Mexico College technicians will train the Hyderabad college staff and advise on the equipping of the recently relocated institution's laboratories and library.

The University of Sind, which is sponsored by Sind Province, moved from Karachi, formerly the province seat, after Karachi became the national capital of Pakistan.

The Foreign Operations Administration has authorized the expenditure of $315,510 for the first year of the contract. Cost for the full period is estimated at $750,000.

New Mexico College will send 10 two-year staff technicians and a number of short-term consultants to Hyderabad. The initial staff--an animal husbandryman, a soils technician, and a librarian--will depart next month.

The contract with New Mexico is the fourth agricultural contract FOA has arranged for Pakistan institutions and the first all-agricultural contract there. Multi-purpose contracts in agriculture, engineering and education had previously been arranged with Texas A & M for East Pakistan Province, Colorado A & M for Northwest Frontier, and Washington State for Punjab Province.

The contract announced today is the 65th in FOA's growing program to enlist the experience and skills of U.S. educational institutions in the over-all technical cooperation program with the free countries.

FOA Director Harold E. Stassen has said that by bringing to bear upon underdeveloped areas of the free world the skills and resources of American universities the U.S. "can make within the next decade or two decades a tremendous contribution toward the fundamentals of the future peace and progress of the world."

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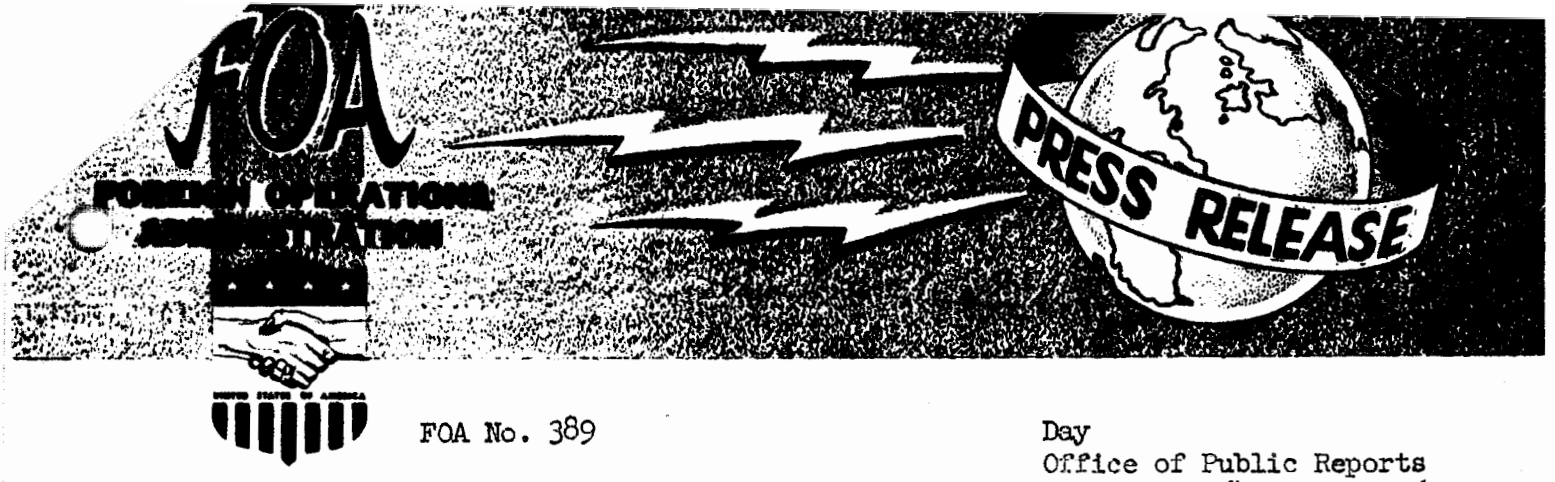

FOA No. 389

For Release in A.M. Papers of
Friday, June 24, 1955

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

FOA SENDING TEAM OF BUSINESSMEN
TO JAPAN FOR PRODUCTIVITY DRIVE

WASHINGTON -- The Foreign Operations Administration today announced that a team of top-level American businessmen is being sent to Japan for six weeks to spur that country's productivity program.

The group is the first to go to Japan under the technical cooperation program which began last March. Other groups are scheduled to follow, and groups of Japanese are to be brought to the United States to observe the ways in which high American productivity is obtained.

The first team from Japan under this program arrived in San Francisco on June 1 to make a six-week study of the American iron and steel industry. This team is in Middletown, Ohio, today at the ARMCO Steel Corporation and will be in Pittsburgh, Reading and Bethlehem, Pennsylvania, from June 27-30.

FOA has contracted with the Council for International Progress in Management, Inc., of New York, to conduct the initial six-week seminar project which is sending the American businessmen to Japan. FOA is providing $25,000 to meet the dollar costs, and the Japanese Productivity Center is contributing $6,000 worth of yen to cover local currency expenses in Japan.

The businessmen will leave San Francisco by air on June 24 and arrive in Tokyo on June 26. One-week seminars will be held in Tokyo, Nagoya, Osaka and Fukuoka, with provisions for accommodating up to 80 Japanese upper management officials at each seminar. A system of simultaneous translating will be used.

The businessmen, and their subjects, are:

William Robbins, Vice President of General Foods Corp. -- "Top Management and Costing;"

Arthur C. Nielsen Jr., Executive Vice President of the A. C. Nielsen Co., Chicago -- "Marketing;"

Lee Vance, Executive Vice President of the David C. Cook Publishing Co., Elgin, Ill. -- "Industrial Relations;" and

- more -

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George Edwards, President of Woodruff & Edwards, Inc., Elgin, Ill. -- "Production."

Acting as manager for the team will be R. Blake Russell, Director of Programs for the Council for International Progress in Management, who was formerly associated with the Bigelow-Sanford Carpet Co., the New Haven & Hartford Railroad, and the Merrimack Manufacturing Co.

Objective of the seminar is "to provide Japanese industrial management with an intimate contact with outstanding American management experts, and through the daily exchange of ideas to assist in the development and improvement of Japanese management techniques."

The seminar project is part of a $500,000 program of technical cooperation aimed at strengthening Japan's economy through increased efficiency in industry, agriculture, mining, labor, transportation and related fields. An expansion of Japan's trade, particularly in the Far East, and an increase in Japan's purchasing power and the standard of living of her people are expected results.

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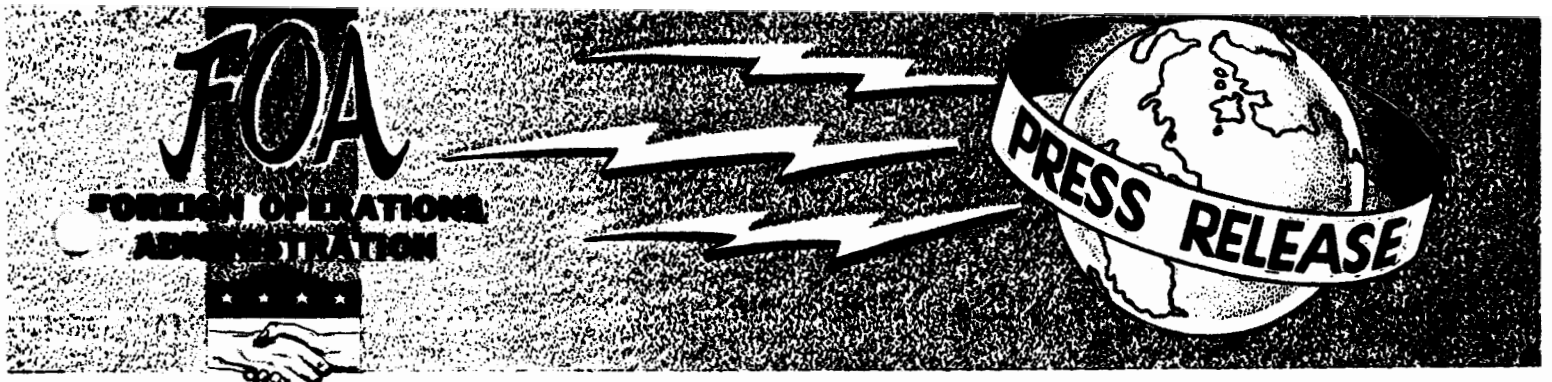

FOA No. 390

For Immediate Release
Thursday, June 23, 1955

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

SMU LAW DEAN DUE IN KOREA TO CONFER
ON PROPOSED FOA-AIDED LEGAL CENTER

WASHINGTON -- Dr. Robert G. Storey, Dean of the Law School of Southern Methodist University, was to arrive in Seoul, Korea, today for conferences on Korea's proposed legal center.

Dr. Storey, past president of the American Bar Association and now a member of the Hoover Commission on Organization of the Executive Branch of Government, conceived the idea for the center on his last visit to Korea in 1954. Assisted by four American lawyers -- Dr. Jerome Hall, Dean of the Law School of Indiana University; Dr. Lawrence M. Hyde, Chief Justice of the Missouri Supreme Court; Dr. William D. Warren, Dean of the Law School of Columbia University, and Orville Chatt, Legal Advisor for the Office of Economic Coordinator for the aid programs in Korea -- Dr. Storey developed the proposal for founding the legal center for Korea.

FOA is considering a Korean request for financial assistance for the center through a proposed contract arrangement with the American Bar Foundation. The West Company, legal publishing house in St. Paul, Minnesota, has offered to contribute volumes toward the establishment of a complete Anglo-American law library.

The center, to be closely modeled on the Southern Methodist University legal center, will assist in the improvement of Korean legal education and administration of justice. It is proposed that American legal experts would be sent to lecture at the center, and that Korean law students and lawyers would be sent to the United States for further legal study.

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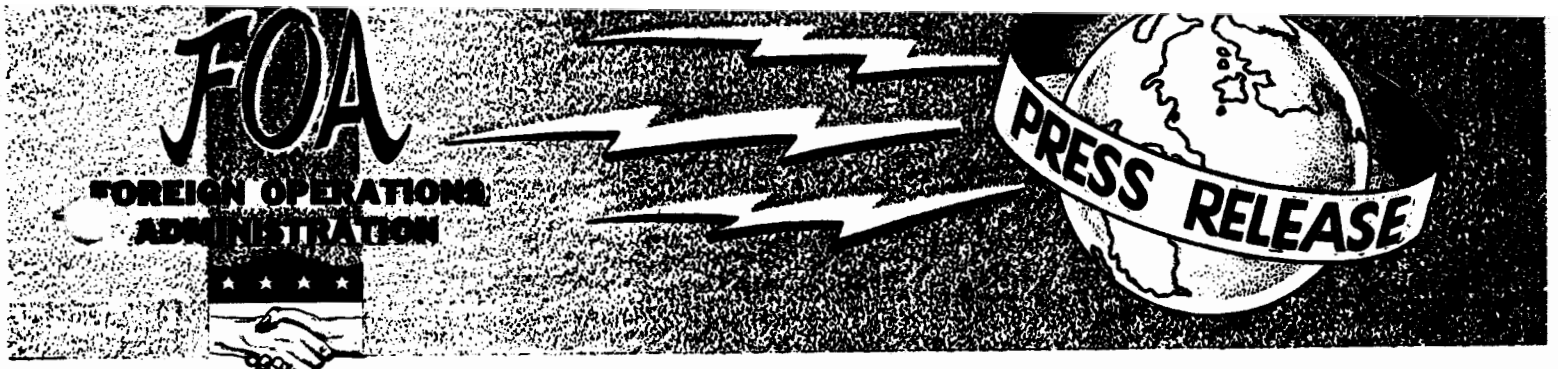

FOA No. 391

For Immediate Release
Friday, June 24, 1955

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

U.S. EXECUTIVES TO PARTICIPATE
IN MEXICAN MANAGEMENT SEMINAR

WASHINGTON -- FOA today announced it will send a four-man team of top U.S. management personnel to participate in a five-week seminar designed to help Mexican industrialists solve their management problems.

Sessions of the seminar, sponsored by the Confederacion Patronal, a group of Mexican industrial executives, will be held in Mexico City, Monterrey, and Guadalajara. They will start in Mexico City on July 4.

The team members are: Joseph Sweeten, assistant industrial relations adviser, Socony-Mobil Oil Company; James Logan, vice-president, The Silex Company; George Lindahl, an industrialist now with FOA's U.S. Regional Office, Paris, France; and Ralph Spencer, an official of Sears, Roebuck and Company.

At the seminar sessions, to be conducted by the team members in four working groups, problems such as those that might confront the president of an industrial firm will be discussed. The U.S. management men will advise the Mexicans on how modern management methods may be used in solving such problems.

The seminar will also be an aid to Mexico's new productivity center with which FOA is already working to advance the country's industrial program, FOA said.

The Council for International Progress in Management, which has had wide experience conducting productivity programs in Europe, will be in charge of the seminar, under an FOA contract. Colonel Philip Garey will represent the Council.

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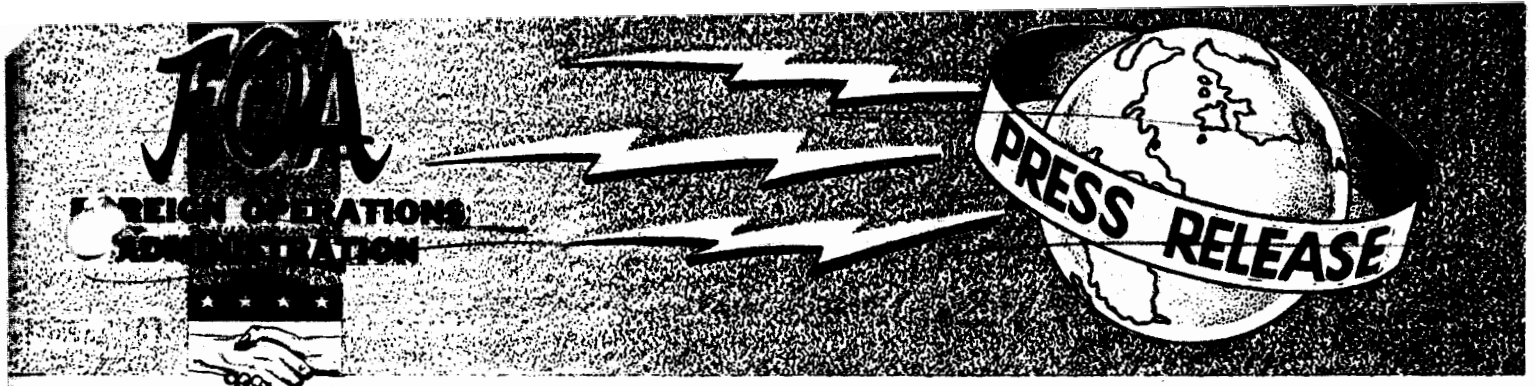

FOA No. 392

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

For Immediate Release
Monday, June 27, 1955

(NOTE TO CORRESPONDENTS: The Bolivian Government and the U.S. Embassy made a similar announcement in La Paz today concerning this aid).

FOA APPROVES FURTHER FOOD,
DEVELOPMENT AID FOR BOLIVIA

WASHINGTON, June 27 -- Director Harold E. Stassen has approved additional aid for Bolivia for the next six months in the form of foodstuffs and development equipment valued at approximately $7 million, FOA announced today.

The new aid, through which the U.S. hopes to assist Bolivia strengthen its economy, will result in a balanced foreign exchange budget in 1955, Bolivia believes.

Previously the U.S. had approved $18,060,000 in development and emergency aid for Bolivia for fiscal year 1955.

The foodstuffs, from surplus agricultural commodity stocks of the Commodity Credit Corporation, include 17,000 tons of wheat and wheat flour, 1,500 tons of cotton, 5,000 tons of rice, and 2,500,000 pounds of dry, non-fat milk.

These commodities, provided under Title II of P.L. 480, will be sold by Bolivia for local currency to be used for mutually agreed purposes, such as agricultural credit, land-clearing, and road building.

The development aid, provided under the Mutual Security Act, will include agricultural, industrial and transportation machinery.

Faced with an economic crisis resulting from falling tin prices, the Bolivian Government last year started a general development program for the country after the United States allocated $12.5 million in development assistance and contributed $2 million to the emergency food production program to prevent famine and to stimulate economic diversification and development.

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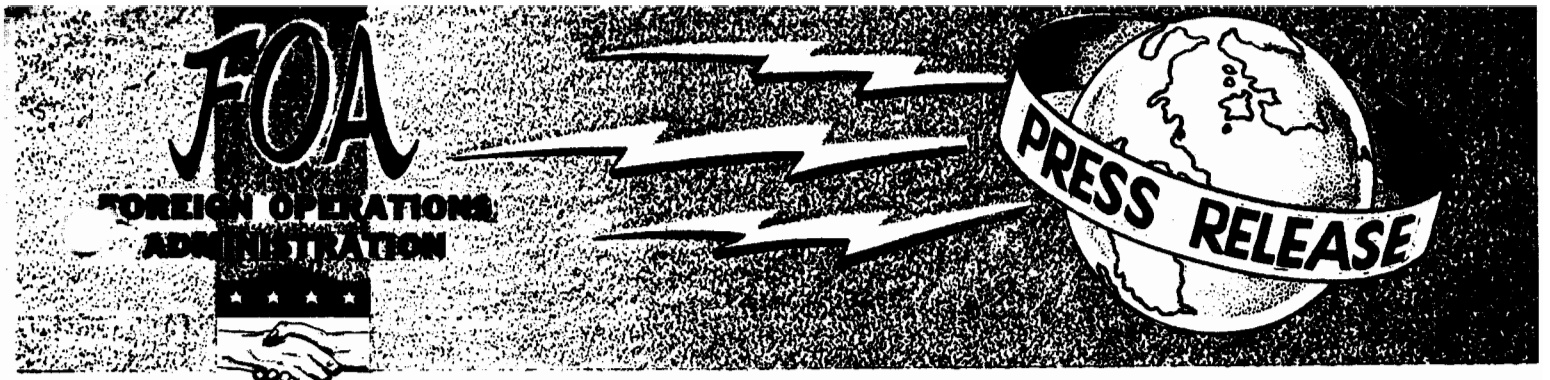

FOA No. 393

For Immediate Release
Monday, June 27, 1955

Sullivan
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., NW

FOA TRAINING PROGRAM TO ASSIST
PARAGUAYAN FARM-TO-MARKET ROAD

WASHINGTON, June 27 -- FOA today announced it will provide $100,000 to train Paraguayans in the use and maintenance of highway construction equipment as an adjunct of the building of an important dry-weather road through the rich agricultural Chaco area of western Paraguay. The funds will also be used for a small amount of equipment.

The Chaco Road, to run a distance of 250 miles between Asuncion and Filadelfia, is the result of an agreement between the Government of Paraguay, Chaco ranchers, and Mennonite colonists to provide $300,000 for its construction. Asuncion is the capital of Paraguay; Filadelfia, hub of the Mennonite colonies.

It is hoped the road eventually can be extended to Villa Montes, Bolivia, as the first major access road between the two countries.

The greatest problem confronting the Chaco Mennonites is the lack of good transportation facilities to carry their products to market. Crops must now be transported to Asuncion by a long and devious route, by truck, railroad, and boat.

The services of an FOA engineer in the lay-out and construction of the Chaco Road will be provided under a cooperative agreement with the Paraguayan Ministry of Public Works, Mennonite authorities, and Chaco ranchers.

The engineer, a member of the United States Operations Mission to Paraguay, will be assisted in a demonstration and training project by a group of skilled Mennonite workers some of whom were trained in Peru by the Le Tourneau Company, manufacturers of highway construction and similar equipment. The project will be based in Asuncion.

The skilled Mennonites and the supervising engineer every six months will train a crew of workers, who can then be assigned to road-building projects throughout Paraguay, FOA said. Initial major concentration, however, will be on training crews for the construction of Chaco roads.

Throughout all the demonstration work, emphasis will be placed on low-cost

onstruction, maintenance, and wearing-surface development, FOA said.

FOA's technical cooperation in transportation began in Paraguay in 1951 when a general transportation consultant studied the country's transport problems. Construction of major highways to unite with neighboring countries is the major problem, it was decided.

Paraguay has since made plans for a complete highway network for eastern Paraguay connecting all the area's major cities by an internal road system. This network will be financed as part of an over-all $5 million loan the International Bank for Reconstruction and Development is making Paraguay for its agricultural development. The loan, however, makes no provision for instructing Paraguayans in either the maintenance or use of highway machinery.

Some machinery will be bought with the $300,000 provided by the three-way Chaco Road construction agreement, but a large portion of the money will be used for gas, oil, and labor, since much of the machinery for the Chaco Road will be furnished by the ranchers and the Mennonite colonists.

Also, it is hoped, some of the machinery left behind in eastern Paraguay by the Hibbard Company after it built Paraguay's only existing macadam road there, can be moved to the Chaco.

In all, Paraguay today has less than 1,200 miles of usable roads and trails although it is as large as the State of California and larger than Italy, England or Japan.

Paraguay's chief trade outlet is the Paraguay River, navigable from the northern sections to Buenos Aires, Argentina. In addition, there is a small amount of trade from the Parana River, and from a railroad running from Asuncion to Encarnacion, which connects with Argentine railroads there.

As a result of this limited communication system Paraguay has failed to develop internally and has had no appreciable trade with two of its three neighbors, Bolivia and Brazil.

The Mennonites, a denomination of evangelical Protestant Christians who number about 12,000 in Paraguay, have successfully colonized a large area in the interior during the past 25 years. They have been so successful in their agricultural venture that the Government of Paraguay has authorized them to take all possible steps to fulfill goals set in a recent trade treaty with Bolivia.

Success of these Mennonite colonies, at Neuland, Menno, Fernheim, and Filadelfia depends on a good selection of crop type and a means of profitably entering their harvests in the competitive market. Construction of the Chaco Road should facilitate the latter, FOA believes.

Paraguay was the first South American country in which Mennonite colonies were established and Mennonites have been settled there longer and in larger numbers than in any of the South American republics. Other smaller Mennonite settlements are in Brazil, Uruguay, and Argentina.

The Chaco, located west of the Paraguay River and extending into Argentina and Bolivia, is a vast alluvial plan of over 115,000 square miles. The Paraguayan Chaco is a little larger than the State of Nevada.

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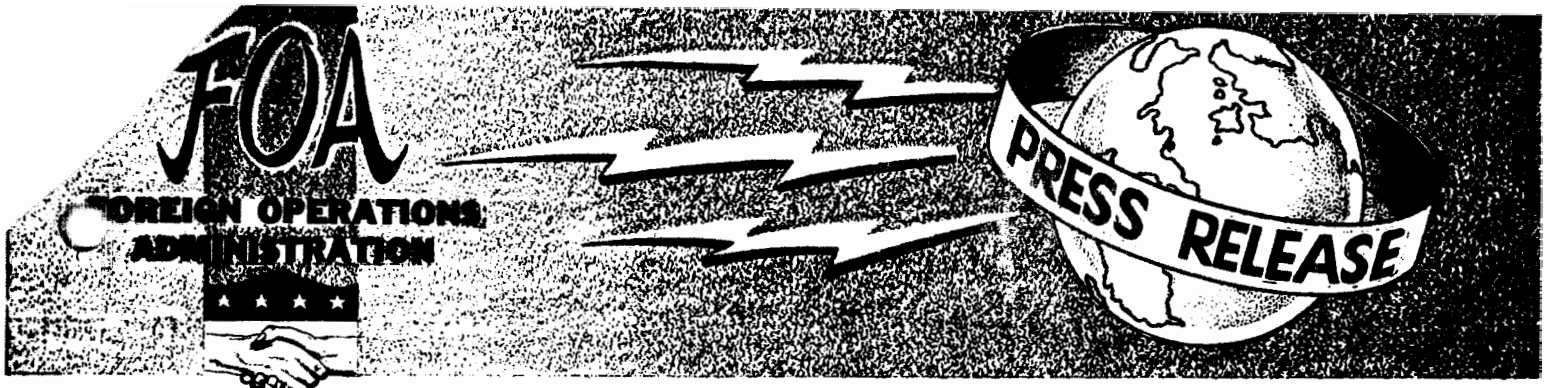

FOA No. 394

For Immediate Release
Tuesday, June 28, 1955

Day
Office of Public Reports
STerling 3-6400, Ext. 2655
Rm. 409, 806 Conn. Ave., N.W.

FOA PROVIDING $6.5 MILLION TO HELP
THAILAND LAUNCH 'NORTHEAST HIGHWAY'

WASHINGTON -- FOA today announced that it will provide $6½ million to help Thailand start construction of its proposed "Northeast Highway." The highway is planned to be continued until it is a 200-mile modern two-lane highway link between Bangkok and the remote northeast provinces.

The FOA assistance covers the costs of a preliminary engineering survey of the highway route made earlier this year; about $2½ million worth of American roadbuilding equipment, materials and supplies which are arriving in Thailand now, and the services of American engineers and roadbuilders under two recently-signed contracts.

The Sverdrup & Parcel Engineering Co., of St. Louis, has contracted with the Government of Thailand to perform the engineering for the project. The Raymond Construction Corp., a subsidiary of the Raymond Concrete Pile Co., of New York, has contracted to do the construction work. Thais are to be trained in the operations of both firms, and in the use and maintenance of the American equipment.

About 124 American personnel will be sent to Thailand under the Raymond company's contract. It is anticipated that these specialists will be furnished by the Raymond company, the H. C. Smith Construction Co., of Panama; J. E. Haddock, Ltd., of California, and the Morris and Cummings Dredging Co., of New York, who are associated in this undertaking.

The firms of Daniel, Mann, Johnson & Mendenhall, with offices in Los Angeles, and the Cox Brothers Construction Co., a partnership with offices in Stanton, Calif., may furnish some of their employees to the associated companies to go to Thailand.

About 25 men experienced in engineering and supervision will be sent by the Sverdrup & Parcel firm under the engineering contract. Most of these including the key personnel will be regular employees of Sverdrup & Parcel.

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The dollar ceiling of the Sverdrup & Parcel contract is $880,000, and the Raymond Construction Co. contract is $2,775,500. These dollar amounts are to be financed by FOA. In addition, FOA is furnishing about $400,000 worth of baht, the Thai currency, and the Thai Government is furnishing about $1,000,000 worth of baht from its own budget. The baht will be used to cover local labor, materials and other expenses payable in the Thai currency.

The contracts state that it is the intent of the Thai Government to engage the services of these firms for additional sections of the proposed highway, in the event additional funds become available. The engineering contract calls for Sverdrup & Parcel to design and supervise construction of as many miles of the highway as can be built with the available funds.

FOA's $6.5 million contribution to the project includes the financing of a $2,448,322 contract between Thailand and the Raymond Concrete Pile Co., under which the American firm is now delivering new road construction equipment, materials and supplies to the Thai Government at Bangkok for use in the Northeast project. The equipment ranges from steam rollers to an asphalt plant. Upon completion of its use by the American construction firm, it will be reconditioned and turned over to the Thai Government for use in Thailand's continuing roadbuilding program.

The $6.5 million figure also includes $26,500 for the cost of a highway survey made earlier this year of the proposed route by Sverdrup & Parcel.

The new heavy-duty road, to be paved with asphalt, will be wide enough to permit unimpeded rapid two-way traffic. Bridges which will be constructed will be of reinforced concrete, and also wide enough to permit two-way traffic. The road is seen as a key to the economic development of the potentially rich but now backward and underdeveloped Northeast provinces. FOA has been channeling special assistance through a variety of projects in this region during the past year.

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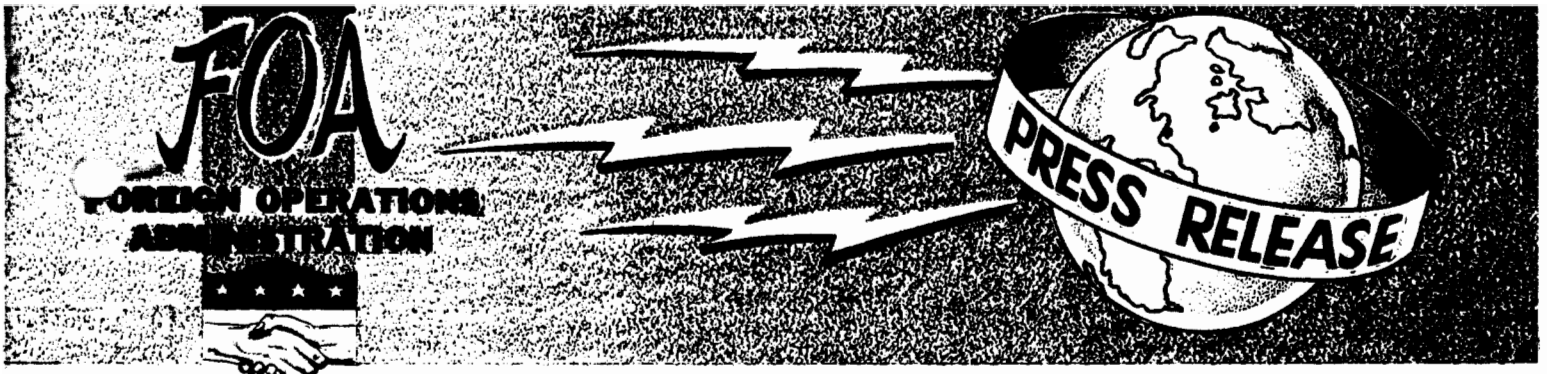

FOA No. 397

For Immediate Release
Thursday, June 30, 1955

Caldwell
Office of Public Reports
STerling 3-6400, Ext. 2627
Rm. 400, 806 Conn. Ave., NW

PRESIDENTIAL DETERMINATION
CALLS FOR AID CONTINUATION

WASHINGTON, June 30 -- FOA Director Harold E. Stassen today notified Congress of a presidential determination to continue aid under the Mutual Security program to France, Italy, Germany and the United Kingdom. The presidential determination is required by the Battle Act because those countries shipped $603,255 in industrial commodities to Soviet-bloc countries. These shipments were contracted before the commodities came within the purview of the Battle Act.

Only $443 of the total went to Communist China. This involved a shipment of miscellaneous items for servicing previously supplied equipment. The remainder went to the European Soviet bloc. None of the shipments included arms, ammunition, implements of war, or atomic energy materials.

Presidential determinations are made periodically as required by Section 103(b) of the Mutual Defense Assistance Control Act of 1951 (Battle Act). This section provides that the President "may direct the continuance of assistance to a country which permits shipments of items other than arms, ammunition, implements of war, and atomic energy materials when...the cessation of aid would clearly be detrimental to the security of the United States."

The semi-annual report on the Battle Act will go to Congress July 5.

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