PD-ACE-007

Foreign Operations Admin.

Near East, South Asia, and
Africa

A Program of Economic &
Technical Assistance

FY 1955

BEST AVAILABLE

UNCLASSIFIED

FOREIGN OPERATIONS ADMINISTRATION

NEAR EAST, SOUTH ASIA, AND AFRICA

A PROGRAM OF ECONOMIC AND TECHNICAL ASSISTANCE

(Including Selected Portions of a Special Economic Aid Program)

Fiscal Year 1955

FOR PRESENTATION TO THE BUREAU OF THE BUDGET

Prepared in FOA/NEA

October 27, 1953

UNCLASSIFIED

DECLASSIFIED ON 11/24/81
BY Cowell SEK/mo/CRM
AUTHORITY: EO 12065 & para 923, Uniform Security Regulations

APPROPRIATION REQUESTED

Total - Near East, South Asia and Africa		$416,483,000
Section 203 (T.A. for DOT's added) -	$ 49,500,000 1/	
Section 206	~~166,983,000~~ 2/	
Section 302(a) (T.A. for Philippines, Thailand and Indonesia excluded)	53,485,000 1/	
Section 302(b)	146,515,000 1/	

1/ Details entire amount included this document.

2/ Details $27,983,000 included this document; remainder for Israel, Arab States, and Iran to be included separate document.

[redacted]

FOA PROGRAM FOR THE NEAR EAST, AFRICA AND SOUTH ASIA
Fiscal Year 1955

I. General Introduction

A. Form and Amount of Aid

The two principal types of aid which will be furnished to this region by the United States are (1) technical cooperation, and (2) special economic aid. The amounts required in the region for each category are as follows:

(1) Technical cooperation.....$98,000,000

(2) Special Economic Aid.....$317,000,000

Near East.....$153,000,000
Africa..... 15,000,000
South Asia..... 149,500,000

B. The Region and the Problem

This great region encompasses most of the Continent of Africa, all the countries of the Near East and the countries of South Asia. Its geographic limitations extend all the way from approximately 18 degrees Longitude West of Greenwich in the Atlantic Ocean to 90 degrees Longitude East of Greenwich in the Indian Ocean, and from the Mediterranean Sea on the northwest boundary through the southern borders of Soviet Russia and Communist China on the north central and northeastern boundaries, to the Tropic of Capricorn and the Indian Ocean as the southern limits.

In this region there are nearly 700 million people, representing 35 percent of the world's population and almost one-half the population of the free world. These people are struggling to find new ways of life which will raise them above the poverty, illiteracy, and chronic diseases of many generations. Their aspirations are rooted in normal desires for sufficient food, healthy bodies and a chance for their children to have better things than they themselves could enjoy. The appeal of communism, especially so in underdeveloped areas, is the promise of a higher standard of living for the masses which in this region very often means bare subsistence above the level of starvation. The United States must, in addition to its military efforts, take away the initiative from the false promises of communism by joining with the peoples in these areas in cooperative programs for the economic development of their countries which will improve their living conditions and build confidence in free economic institutions.

This region is strategically important in the East-West struggle not only because of its proximity to Soviet Russia and Communist China and its control of the lines of communication between Europe and Asia, but also because of its rich deposits of petroleum, and other critical materials such as manganese, uranium, and other basic materials.

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Many of the countries in the Near East and South Asia have only recently won their political independence from the European colonial powers. As a result there is a good deal of political instability which is compounded by the incredibly low level of living of the overwhelming majority of people in this part of the world despite its wealth in natural resources. In South Asia, for example, the average annual income ranges between $35 - $60 per capita. What this bare statistic means for that area and the whole region is malnutrition, disease, recurring famine, low productivity and resentment.

The resentment of these peoples is levelled at their former rulers whom they feel are responsible, in large measure, for their miserable conditions. This has fostered a vigorous and sensitive nationalism which dominates their thinking and explains their suspicion of any action which might impinge upon their independence. They are determined to remove all vestiges of their former colonial status. In the Near East, U.S. and European aid to Israel has injected additional suspicion into the Moslem world's relationship with the West — with whose principles there is a basic sympathy. The resulting resentment manifests itself as neutralism in the East-West conflict. All of the countries of this region have important economic, cultural and spiritual ties with the free world; their governments are staunchly opposing Communism within their borders. The neutral posture taken by these countries accompanied by their resurgent nationalism, however, represents an obstacle to the development of those new and constructive relationships with the West which all the countries of that area so urgently need.

The immediate problem, therefore, is to determine what action the U. S. Government can take to help these countries maintain their independence and keep them from falling under the domination of the Soviet Empire. The long range problem, which is by no means mutually exclusive from the immediate one, is to determine how to assist these countries to realize their economic potential under free institutions not only for their own good, but because it will be in the best interest of our own economic prosperity and of the rest of the free world as well. A means which can help in the solution of both these problems is the program of technical cooperation. This program is regarded by many as one of the best manifestations, in the development of our foreign policy, of the finest traditions of the religio-ethical heritage of the West with its conception of the inherent rights and dignity of man. As such, it offers a positive antidote to the ideological virus of Communism. Another means, which is more appropriate as a short-term measure in the "Cold War", is special economic aid which should be applied mainly to emergency situations.

This region is divided into three principal areas: the Near East which embraces Israel, the Arab States and Iran; Africa which includes the independent countries with the exception of Egypt and the Union of South Africa, and the dependent overseas territories of the metropolitan powers of Europe with the exception of Spain; and the South Asian countries of India, Pakistan, Afghanistan and Nepal. The presentation of the countries of this region will be grouped into these three areas, and there will be a prefatory statement for each area as an introduction to the separate country presentations.

II. Technical Cooperation

Our programs of technical cooperation in the underdeveloped areas of the world are an integral — although separate and distinct — element of the foreign policy of the United States to promote world peace by helping to increase the economic strength of the free world and to strengthen the social fibre of its people.

The principal objective of the technical cooperation programs is to share with the peoples of underdeveloped areas the knowledge and skills which they need to develop their own capacities and resources. This is accomplished by sending U. S. and other skilled experts into the cooperating countries in order to train peoples of these areas in the necessary skills which they need to help themselves in the economic development of their countries, and by bringing selected local leaders and technicians to the U. S. for advanced training.

In the process of imparting American skills and "know-how" to the peoples in these areas it is necessary to have at hand a limited amount of supplies and equipment for demonstration purposes. The results shown from the introduction of new methods do much to overcome the ancient ways and unproductive habits of these peoples.

Technical cooperation programs are given priority in accordance with the dominant needs of the countries in which they are conducted. Although programs vary from country to country most of them are in the field of agriculture, health and education at the beginning. The underdeveloped countries are in the primary stage of development which means that most of their economic activity is closely related to the soil either by way of subsistence agriculture or in the extraction of minerals. Although most of the peoples in these areas are engaged in agricultural pursuits the countries are nevertheless deficient in food production. Their limited foreign exchange which otherwise might be used for the importation of capital goods is diverted to apply to the importation of food items. Technical cooperation gives high priority to the improvement of farm practices, better seed, more fertilizer and improved tools.

The emphasis given to programs in public health is due to the prevalence of the high incidence of mass diseases such as malaria, dysentery, tuberculosis, yaws, and many others in these areas. In order to increase the productivity of the people it is necessary to eradicate and control the incidence of such diseases. Programs in vocational education and literacy are essential for the economic development of these countries. Programs are also under way in transportation, communications and basic public works; the development of mineral resources; the improvement and establishment of trade and industry; and general projects of community and village development.

In addition to sending U. S. technicians abroad for the purpose of imparting their skills to the peoples in these countries, more advanced training for selected local officials and technicians is provided for them in the U. S. on our farms and in our factories and educational institutions. Training of this character is also provided in special regional centers sometimes outside the United States.

III. Special Economic Aid

In some underdeveloped areas, however, poverty and unrest among large numbers of the people dangerously expose political and economic institutions to the planned aggression of organized communism. In these less stable situations, pressures are great and time is short. Extra effort is required.

In most countries, under more favorable circumstances, initial capital for development of natural resources is normally furnished by private investors, local taxation, or other regular sources of national and international credit. But where political and economic instability are great and the needs of the people urgent, these sources may not be enough. The modest economic assistance that goes with technical cooperation may need to be stepped up and supplemented by special United States financial aid, because of the incapacity of these countries to finance such development by more orthodox methods.

Technical cooperation and special economic aid for critical areas, where needed, are in the main closely related but distinct devices for engouraging economic development. Where this special aid is necessary it must be closely integrated with technical cooperation. Special economic aid need not change the essential character of technical cooperation as a program of self-help and development. Technical cooperation programs, however, should be integrated into a unified United States approach in its dealings with other countries and they should be gauged by their effects upon the total economies of the countries where they are being carried out.

Although technical cooperation and special economic aid are integrally related each has its own character and is a device to meet a particular need. Consequently, they are presented as separate components of the 1955 budget submission.

IV. Program Objectives.

There are special objectives of the foreign aid programs in the underdeveloped areas to carry out the basic aims of U. S. foreign policy. They are as follows:

1. To offer an appealing substitute for the false promises of communism where military weapons would serve no purpose. They offer a ray of hope to people who may otherwise despair of any befriendment and interest on the part of the leadership of the western powers to help them lift themselves above their otherwise hopeless conditions.

2. To demonstrate that general economic conditions can best be improved and standards of living raised through individual freedom and private institutions which experience has proven to be the mainsprings for human progress. The United States seeks a sound economic relationship among the countries of the free world as well as an increased sense of people-to-people relationship. To that end it is expected that over the months and years ahead a greater reliance will be placed on all sorts of cooperative relations between the U. S. Government and private organizations and agencies. This would lead in time to more and more decentralization of supervision of the Government programs. For example, technical progress did not occur in the United States by a centralized governmental decision of exactly what should be done but rather by creating the circumstances and conditions under which all kinds of private institutions were able to make their independent contributions to our own state

of well-being. These institutions range all the way from universities, schools, and religious institutions to research foundations and private businesses.

3. As the basic economic development in these countries increases, to facilitate a greater opportunity for private investment for industrial growth which should provide greater markets and sources of raw materials for the United States as well as other countries of the world in an expanded world trade.

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OBLIGATIONS BY ACTIVITY AND COST FACTORS (FY 1955)
(Thousands of Dollars)

FIELD OF ACTIVITY AND COUNTRY	TOTAL	SUPPLIES & EQUIPMENT	PROGRAM PERSONNEL COST	TRAINEES NUMBER	TRAINEES COST	LOCAL COSTS
Total						
Near East						
Egypt	3,397	1,483	1,118		140	656
Iran	10,074		4,040		450	5,584
Iraq	397	46	318	4	16	17
Israel	1,610	434 a/	1,026	57	150	
Jordan	2,411	210	1,261	77	308	632
Lebanon	2,567	462	759	29	115	1,231
Saudi Arabia	1,669	523	964	31	124	58
Syria	2,885	2,076	462	69	347	
Regional	1,420	940	480			
Total Near East	26,430	6,174	10,428	267	1,650	8,178
Africa						
Independent Countries						
Ethiopia	2,117	370 b/	1,738	9	9	
Liberia	1,270	117	944	51	111	98
Libya	1,500	294	551	33	64	591
Territories						
West Africa	5,000	1,500	3,355	58	145	
East Africa	5,000	1,500	3,355	58	145	
South Central Africa	2,000	500	1,395	42	105	
North Africa	2,000	500	1,395	42	105	
Total Africa	18,887	4,781	12,733	293	684	689
Total Near East and Africa	45,317	10,955	23,161	560	2,334	8,867
South Asia						
Afghanistan						
India						
Nepal						
Pakistan						
Total South Asia						
Grand Total						

a/ Program agreement obligations, including supplies & equipment & local costs.
b/ U.S. contribution to Joint Funds, for use in procuring supplies & equipment, field costs, & contractual services.

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REGIONAL

SUMMARY
OBLIGATIONS BY ACTIVITY AND COST FACTORS (FY 1954)
(Thousands of Dollars)

TABLE VII

Field of Activity and Country	Total	Supplies & Equipment	Program Personnel Cost	Trainees Number	Trainees Cost	Local Costs
Total						
Near East						
Egypt	3,416	1252	1004		335	825
Iran	12,057	630	3449	135	450	7528
Iraq	2,194	351	1471	34	134	238
Israel	1,487	—	1024	70	191	272
Jordan	2,213	503	632	44	151	927
Lebanon	2,800	500	885	34	150	1265
Saudi Arabia	1,462	393	807	29	115	147
Syria	--	--	--	--	--	--
Regional	955	230	386	50	45	294
Total Near East	26,584	3,859	9,658		1571	11,496
Africa						
Independent Countries						
Ethiopia	1,597	280	1083	3	3	231
Liberia	1,257	141	1014	22	45	57
Libya	1,500	322	564	38	74	540
Territories						
West Africa	4,000	1175	2680	58	145	—
East Africa	4,000	1175	2680	58	145	—
South Central Africa	2,000	575	1320	42	105	—
North Africa	2,000	575	1320	42	105	—
Total Africa	16,354	4243	10661	263	622	828
Total Near East and Africa	42,938	8102	20319		2193	12,324
South Asia						
Afghanistan						
India						
Nepal						
Pakistan						
Total South Asia						
GRAND TOTAL						

REGIONAL

TABLE VII

SUMMARY
OBLIGATIONS BY ACTIVITY AND COST FACTORS (FY 1953)
(Thousands of Dollars)

FIELD OF ACTIVITY AND COUNTRY	TOTAL	SUPPLIES & EQUIPMENT	PROGRAM PERSONNEL COST	TRAINEES NUMBER	TRAINEES COST	LOCAL COSTS
Total						
Near East						
Egypt	12,707	1,822	462		127	10,296
Iran	22,045	14,901 a/	2,264	170	561	4,319
Iraq	1,741	282	1,276	31	127	56
Israel	2,131	1,872 a/	259	--	--	--
Jordan	2,682	2,160 a/	440	--	82	--
Lebanon	573	--	573	--	--	--
Saudi Arabia	1,565	1,187	306	18	72	--
Syria	--	--	--	--	--	--
Regional	1,720	1,561	159	--	--	--
Total Near East	45,164	23,785	5,739		969	14,671
Independent Africa						
Ethiopia	1,268	585 a/	678		5	--
Liberia	1,681	447	767		10	457
Libya	1,029	529 a/	420		80	--
Total Independent Africa	3,978	1,561	1,865		95	457
Total Near East and Independent Africa	49,142	25,346	7,604		1,064	15,128
African Territories b/						
South Asia						
Afghanistan						
India						
Nepal						
Pakistan						
Total South Asia						
Grand Total						

a/ Program agreement obligations, including supplies & equipment & local costs.
b/ African territories included under European Program during 1953.

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THE NEAR EAST

(Consisting of EGYPT, IRAN, IRAQ, ISRAEL, JORDAN, LEBANON, SAUDIA ARABIA, AND SYRIA)

Funds Requested - Technical Assistance - $29,000,000

Special Economic Aid - $12,983,000

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THE NEAR EASTERN AREA - FY 1955

A. The Area and its Problems

The countries of this area are as follows: Egypt, Iran, Iraq, Israel, Jordan, Lebanon, Saudi Arabia, Syria, and Yeman. The following basic economic and social factors, which are present to a greater or lesser degree in all nine countries of this area, define their long-range economic development problems and opportunities, and indicate the role and function of U.S economic and technical assistance in relation to their solution.

1. An excessive proportion of the population are on the land, depending upon agriculture or livestock raising for a living. Antiquated and destructive land and water-use practices coupled with archaic and feudal land tenure relationships, result in low productivity, the eventual destruction of land and water resources, and widespread rural poverty, disease and discontent.

2. There are underdeveloped or inadequately developed natural resources throughout the area. The most significant, in relation to long-range economic development are: (1) the irrigation and power potential of the area; (2) the petroleum of Iran, Iraq and Saudi Arabia, with its substantial source of industrial power and capital to be channeled into effective economic development; (3) the untilled lands which were once fertile, and have been allowed to revert to desert or swamp land.

3. Urban industrial development has not kept pace with the influx of population into the cities. Local industry is on a small scale and inefficient with resulting high costs, low wages, and widespread urban unrest. It is therefore unable to compete for the limited market of the area with the imported products of foreign manufacturers. The effective capital-forming capacity of the area is low, notwithstanding the revenues from oil in some countries of the area or the presence of a few wealthy families in each country. Even these scattered sources of capital are not effectively mobilized.

4. The distribution and marketing system is archaic and inefficient, resulting in extreme waste, periodic gluts and shortages in markets, wide price fluctuations, excessive spread in prices between producer and consumer.

B. Technical Cooperation Program for FY 1955

The program of technical cooperation started in the Near East in FY 1952. The FY 1952 program can be characterized as the "cooling up" period; and FY 1953 marked the initiation of operations. The program for FY 1954 might be regarded as a continuation of activities started during the first two years, and FY 1955 as a period of refinement and consolidation of activities with some activities being phased over to the host country and others moving into advancing phases of development. An increasing emphasis will be placed upon activities having to do with the effective utilization of limited water resources of the region, and increasing services for industry and investment.

The program is designed to meet the needs of the countries and to capitalize upon the opportunities for economic development and increased standards of living through training and the introduction of such basic services as will contribute to the ultimate removal of the underlying causes of underdevelopment.

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Agricultural experimentation, extension and education services; credit systems and other services related to land distribution and reform programs; rural health and education activities; development of irrigation facilities and water spreading techniques, are all directed toward the solution of problems associated with the rural system as it exists in the area. Vocational education, urban health programs, industrial and marketing surveys and the development of power resources and services to enhance the exploitation of local natural resources are designed to alleviate the problems of unemployment and underemployment among the growing urban populations. Improvements in communications and transportation systems are intended to bring into closer relationship farm and markets and provide greater flexibility in the utilization of and access to raw materials within and among the countries. Improvements in Public Administration and governmental services are related to the whole gamut of economic and social development and are designed to strengthen the governmental direction and administration of such programs.

The amount requested for technical cooperation in this area is $28.3 millions.

C Special Economic Aid

Authorization of a special economic aid program of $166,983,000 is being requested in a special document, carrying forward the special economic aid program authorized in FY 1954, as a means of providing the economic backing for important international actions which are necessary to settle the difficult problems of the region as a whole. A portion of the funds will supplement the technical cooperation program for Iran, to maintain the level of a basic Iran program at that of FY 1953 and 1954.

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EGYPT

Total U.S. Cost - $3,397,000
No. of U.S. Technicians -101
No. of Training Awards - 66
Host Country Contribution - $5,691,000

I. RESOURCES AND NEEDS

Natural:

Egypt has an area of 386,100 square miles of which less than 4 percent, (13,200 square miles), is habitable, and the rest is desert. Of the habitable area approximately 6,000,000 acres in the Nile Valley are cultivated. As the Nile River flows 960 miles through Egypt it is joined by no tributaries. Great dams, the main one at Aswan, regulate the flow of the river. Chief agricultural crops are cotton, wheat, corn, and rice. Two or three crops a year can be grown on the rich alluvial soils. The Egyptian economy depends largely upon agriculture, which provides about 45 percent of the national income and about 90 percent of export earnings, virtually all from cotton. There may be some possibilities for the development of oil and iron-ore resources, and some raw materials are available for light industry which thus far constitutes most of Egypt's industrial development.

Human:

Egypt's population is estimated at 21,455,000, including 204,000 Arabs from Palestine, now given refuge in the Gaza Strip. Population density is extremely high -- about 1,600 a square mile -- in the Nile Valley. Approximately 75 percent of the people are engaged in agriculture, and about 82 percent are illiterate. Disease is prevalent throughout rural areas, especially bilharzia, hookworm, and eye diseases. In many of the villages human poverty and misery seem to reach the lowest limits of human endurance.

Capital:

National income is estimated at approximately 2,000 million of which about 40 percent is from agriculture. The ordinary Egyptian budget for 1953/54 is $567 million and the extraordinary or development budget is $100 million, or a total of $667 milion. While the balance of payments in 1951 and 1952 were distinctly unfavorable, at the

present time there is approximate equilibrium. This trend may well continue during the current fiscal year. In 1952 Egyptian exports were valued at $623 million and imports at $418 million. Approximately 90 percent of exports are cotton and cotton products. The Export-Import Bank loaned $7 million in 1947 for construction of a fertilizer plant. Egypt has 3,400 miles of railroads.

II. GENERAL SITUATION

Egypt is one of the natural leaders of the Arab world. Under new and dynamic direction, her government is engaged in a revolutionary attempt to demonstrate what can be done by "bringing the people to life". Her efforts to overcome the handicaps of limited resources -- overcrowded by millions of poverty-striken peasants -- deserve maximum U. S. support.

Of Egypt's total area 96 percent is uncultivated and uninhabited desert. The cultivable and inhabited area of 13,200 square miles capable of supporting a fixed population consists almost entirely of a narrow irrigated valley extending up the Nile for some 900 miles above Cairo (to the Sudan boundary), and of the irrigated delta below Cairo spreading out in a broad triangle to the Mediterranean. The remainder of the country consists of desert with scattered oases inhabited only by a few thousand nomads, altogether. In the Nile Valley there are about 1,600 people to the square mile, making it one of the most densely populated agricultural areas on earth. Such population pressure contributed to the abject poverty of the fellaheen (the Egyptian peasants) and to the disease and ignorance of most of the people. Village homes are overcrowded mud huts, littered with straw and other debris and which the family share with their livestock. They are typically without furniture and bare, except for corn stalks, and manure cakes for fuel, and a minimum of crude household utensils. Most of the houses are unsanitary, and the resulting spread of devilitating diseases seriously cuts down the efficiency of the working population. Bilharzia (blood flukes) and ankylostoma (hookwork) affect over 90 per-cent of the 16,000,000 fellaheen. Eye disease (trachoma) causes Egypt to have the highest percent of blindness in the world. The death rate among children is also the highest in the world; for 60 percent of the children born alive die before reaching the age of six years. Over 80

percent of the population is illiterate.

Despite its difficult problems, Egypt has the possibility of developing the basis for a more acceptable standard of life for her people. This potential for economic development is to be found largely in increasing agricultural production by getting the active participation of the fellaheen in improving practices of irrigation, drainage and cultivation, and in reclamation of substantial additional crop and grazing lands. Possibilities for extending the total productive area include the construction of new dams and canals, reclamation of desert areas for controlled grazing (by water spreading and other dry-farming measures) and large-scale drainage and desalination of flooded and salted areas of alluvium. Other possibilities lie in the exploitation of presently underdeveloped and even uncharted mineral resources and of unutilized power and industrialization potentials. In the last three decades, particularly in the past ten years, the Egyptian Government has formulated many programs to improve economic and social conditions. As planned, all of these programs are impressive; as executed, with a few notable exceptions the results are meager and disappointing. Few benefits have reached the fellaheen and improved their lot.

Egypt has many highly qualified people in a number of technical and professional fields. In the past at least, the abilities of technican and professional groups have not been effectively utilized in the promotion of Egypt's social and economic growth. The initiative of these groups has been frustrated by political instability in the government and lack of interest in their potential contribution to Egypt's development.

With the advent of the Naguib government, however, a new hope emerges for the country's economic and social development in spite of adverse economic conditions and the passive opposition of certain influential groups, the Naguib Government is vigorously pursuing a policy of reform and reconstruction. Significant steps taken in line with this policy have been the decree of an extensive land-reform

program, continuous effort at governmental reorganization, and new controls over rents, retail prices, wages, imports and exports. In addition, a National Production Council has been established. This agency in co-operation with committees set up by Ministries, is vigorously projecting action programs to increase industrial and agricultural production. The eyes of the whole Near East are closely following developments.

The pressure on the present government to provide immediate evidence of its ability to improve conditions is mounting rapidly. To meet this urgent situation and maintain political stability, the government needs comprehensive integrated plans for development; skilled personnel; and capital assistance to effectuate these plans. The technical cooperation program will provide the aid which the Egyptian Government must have to make effective its sincere efforts to achieve a better standard of living for the people of Egypt. It will make possible a more effective use of whatever capital is obtained elsewhere for the large-scale irrigation and power developments which Egypt required to solve her basic population problem.

Late in FY 1953 a greatly expanded technical cooperation program was requested by Egypt. Under this a joint Egyptian-American Rural Improvement Service has been set up as an agency of the Egyptian Government to demonstrate in two entire provinces what can be done by putting all available technical services behind the development of the agricultural community. Egypt is contributing over $15 million to a joint fund into which the United States is placing approximately two-thirds as much from FY 1953 funds; and a special "task force" of American technicians is now in Egypt to put plans into operation. Every care is being taken that the methods used and costs involved are such that succesaful results can be applied throughout the country.

III. THE PROGRAM

1. General Plan and Objectives.

The Technical Cooperation Program has two facets: one, those projects that will provide an immediate impact program. This type of program may either be one that provides actual material information or substance to fellaheen; while another type provides country-wide recognition such as the bilharzia research program.

The second general type of program presented is that with long term objectives to be found in the health and education projects. These are aimed to reach the young men and women of Egypt and while American financial participation will lessen after a year or two, the influence of American technicians in such fields as teacher training is continuing to be felt, however, in a significant way for the duration of time that TCA operates in Egypt and longer.

The program has the following specific objectives:

(1) The intensification of yield of areas now under cultivation (increased crops, improved livestock);

(2) Expansion of land areas that can be utilized through irrigation and water spreading and further use of underground water;

(3) Providing alternate sources of income for the country (industry and trade);

(4) Extending the life expectancy and improving the mode of living of the under-privileged masses (welfare, housing, health, education);

(5) Advising on developing supporting administration and facilities to keep pace with the expanding economy (transportation, communications, public administration).

2. Chronology of Agreements.

A. Memoranda of Understanding

1. Signed

a. Social Affairs - November 6, 1951

b. Housing (Development Low-Cost Housing Material) - Nov. 6, 1951

c. Agriculture - November 8, 1951 (Supereeded)

(1) Grain Storage - May 1, 1952

(2) Helicopter Training - June 26, 1952 - completed

d. Public Health - May 3, 1952 - (Superceded)

e. Education - August 11, 1952 (Superceded)

B. Program Agreements

1. Signed

a. Ministry of Commerce and Industry (Industrial Survey) - February 23, 1953

b. Ministry of Public Works (Public Works Development) - March 12, 1953

c. National Production Council (EARIS for Fayoum and Buheira) - March 19, 1953

d. Ministry of Agriculture (and Ministry of War and Marine) - May 21, 1953

e. Ministry of Education - June 18, 1953

f. Ministry of Public Health - June 18, 1953

2. Pending (Inactive)

a. Ministry of Social Affairs (Egyptian Youth Development Corps)

C. Project Agreements

1. Signed

a. Ministry of Agriculture

(1) Hybrid Seed Corn - August 17, 1953

(2) Poultry Improvement - August 18, 1953

b. Ministry of Education

(1) Teacher Education - July 9, 1953

(2) Work Conference on Agricultural Education - July 30,1953

c. Ministry of Public Works

(1) Aerial Survey New High Aswan Dam Site - Mar.14, 1953

(2) Underground Water Survey - May 5, 1953

(3) Agricultural Drainage - May 9, 1953

d. National Production Council

(1) Project Agreement No. A-1 (Administration) Apr.25,1953

(2) Soil and Land Classification Survey - Aug. 25, 1953

2. Pending

a. Ministry of Agriculture (and Ministry of War & Marine)

(1) Agricultural Extension

(2) Farm Machinery

(3) Goat Improvement

(4) Desert Grazing Demonstration (Ministry of War & Marine)

(5) Fisheries (Ministry of War and Marine)

b. Ministry of Education

(1) School Building Research

(2) Visual Aids

c. Ministry of Public Health

(1) Pure Drinking Water

d. Ministry of Public Works

(1) Qena Well Demonstration

3. Financing and Organization

While program agreements have been drawn in the various fields of activity and funds have been committed by both Governments, a joint fund is not utilized except for the Egyptian-American Rural Improvement Service. In fact, inasmuch as the Egyptian contribution in each case is mostly "in kind" and not in cash, funds are usually not earmarked from the Egyptian budget of the year in which the program agreement is signed. It is difficult accurately to gage the Egyptian contribution because the salaries of the individual Government workers are not in all cases known, and, due to temporary assignment on the part of various Egyptian technicians, it is difficult to compute. Our best estimate of this contribution is the equivalent of $4,377,242.

FUNCTIONAL PROGRAMS

AGRICULTURE AND NATURAL RESOURCES
Total U.S. Cost $1,493,000
No. of U.S. Technicians- 45
No. of Training Awards - 16
Host Country Contribution - $4,365,000

Objectives: To assist the Government of Egypt in increasing the agricultural production of Egypt, improving farm home living conditions; intensifying and coordinating the program of soil and water utilization throughout irrigated and unirrigated areas and increasing the use of fish and the production of fishing areas. To assist in the development of additional irrigation water, arable land, minerals and power production.

Problems in the Field of Activity: Egypt's new government is intent upon delivering a higher standard of living to the Egyptian masses. This requires considerable re-organization and careful planning and action in the agriculture and fisheries programs. Thus, FOA's first work has been to gain a complete understanding with the constantly changing Egyptian authorities concerning how technical cooperation can operate and what are the important steps to take first. Egypt's semi-feudal agricultural economy is largely responsible for the lack of natural resources development and exploitation.

Existing Programs: A sound approach to agricultural problems within the Ministry of Agriculture has been developed. An extension, livestock and soil and water utilization program have been fully planned and initiated in some of their minor phases. The Ministries of Agriculture and Public Works are anxious to develop a well-coordinated program. Fisheries work has been shifted from ministry to ministry and has not as yet developed a sound organization or program for the solution of the problems. Under the overall guidance of a Permanent Council for Improvement of National Production a newly developed 5 year program is seeking to expand the economy by bringing about land, water, mineral, power, and other resources development.

Major Activities in FY 1955

Progress to Date

Agriculture Extension - $291,000

Developing a national agricultural extension organization, activating and training staff with equipment for at least 50 extension centers, emphasizing hybrid corn, farm machinery, home economics, improved crop and fruit production and rural youth

The success of the two pilot agricultural extension centers previously established together with a continual program of discussion with the Minister of Agriculture

[redacted]

COUNTRY EGYPT

TABLE VII

APPROPRIATION FY 1955

OBLIGATIONS BY ACTIVITY AND COST FACTORS
Fiscal Years 1953, 1954 and 1955
(Thousands of dollars)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Amount	Local Costs
Agriculture and Natural Resources					
1953	1708	1445	174	47	42
1954	1016	307	391	130	188
1955	1493	769	519	40	165
Health and Sanitation					
1953	220	124	58	34	4
1954	948	615	184	38	111
1955	539	308	143	50	38
Education					
1953	277	253	6	11	7
1954	915	280	192	38	405
1955	902	216	237	25	424
Transportation and Communications					
1953	33	—	--	33	—
1954	17	—	--	17	--
1955	--	--	--	--	—
Industry and Mining					
1953	245	--	2	--	243
1954	300	50	94	35	121
1955	273	190	45	25	13
Public Administration					
1953	8	—	6	2	—
1954	50	--	--	50	—
1955	--	--	--	—	—

EGYPT (Continued)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Amount	Local Costs
General and Community Development					
EARIS*					
1953	10,216	--	216	--	10,000
1954	170	--	143	27	--
1955	190	--	174	--	16
Total					
1953	12,707	1822	462	127	10,296
1954	3,416	1252	1004	335	825
1955	3,397	1483	1118	140	656

*Egyptian American Rural Improvement Service

10/24/53

organizations. Cooperation between Ministries of Agriculture, Social Affairs and Health will be encouraged in the development of this program.

and other GOE officials has resulted in (1)a change of philosophy th t extension is educational and voluntary adoption of improved practices rather than law enforcement forthe poor and material services for a few large landowners and (2) a request from the Minister for assistance in training and in equipping offices to make possible the expansion of a full time extension system throughout Egypt. About 700 acres were planted this year to adapted hybrid seed corn for seed production. A project agreement has been signed with the Minister of Agriculture, developing a plan for the production and distribution of enough hybrid corn seed sufficient to plant 50% of the corn acreage by 1955.

Soil and Water Utilization - $65,000

Establishment of a laboratory for investigation of soil salinity problems which will serve Egypt and perhaps some of the other Arab States. Initiate a soil and land classification survey of irrigated areas and areas subject to irrigation throughout Egypt. Continue drainage research and implementation of action programs in the delta area.

Soil salinity work has been hampered by inadequate facilities and the laboratory not being close to the field problems. Soil and land classification surveys have been initiated and will be extended and continued. The three facets of this work will be coordinated into an overall soil and water utilization program.

Fisheries Development - $155,000

Continue attempts to develop a sound organization and program for improvement of fishing and marketing methods.

Parts of a fisheries program were developed with the Ministry of War and Marine, but a recent shift of this work to the Ministry of Agriculture has necessitated a new start in educating GOE administrative personnel on the need for a strong program.

Livestock Improvement - $412,000

Exploring (1) the adaptability of dry land grasses to low rainfall areas, (2) the application of water spreading techniques, and (3) tillage methods and their influence on runoff water penetration and moisture retention. Study similar techniques in barley production. Interest private capital in building and equipping a modern pasteurization plant basic to sound dairy improvement program. Laying sound plans for artificial insemination to improve livestock and also save food now used for production of needless males. Perfecting plans for general disease elimination program to implement program of importing well-bred livestock.

Twelve hundred acres of land have been prepared for seeding; the area has been fenced; grasses have been tested on small plats and water spreading facilities have been constructed to affect 1,000 acres. Project is in process of formation to establish a pattern of veterinarian centers throughout Egypt which, if consummated, will serve as the foundation for a well-planned livestock health program. Artificial insemination organization moves slowly, but hopeful that will be underway during the year.

Land Development - $160,000

Continuation of land capability surveys in relation to potential irrigation development, development comprehensive land, water, forage, and land use inventory to provide guidance for improved land use and management in Maryut area, establishment of a consolidated public lands administration to systematize land resources management, continuation of assistance in the establishment of an aerial survey and photogrammetry unit competent to produce maps suitable for systematic completion of needed land resources inventory and classification.

Experiments in utilization various types seeds undertaken in order to determine variety most suitable arid and swamp conditions in Egypt.

Water Development - $165,000

Continuation of a systematic search for adequate underground water supplies that can be economically utilized for irrigation and community supply by application of modern geological and underground water prospecting techniques and training of Egyptian technicians in the technology of ground water exploration: a) underground water supply survey in Eastern Desert fringe along the Delta in Sharqiya Province, b) underground water supply

Preliminary surveys being made to determine possible underground waters available in desert and oases areas.

survey and production well development in basin irrigated and desert fringe lands in Upper Nile Valley, and c) hydrological and geophysical investigations in portions of more humid coastal strip of Sinai Peninsula.

Mineral Development - $245,000

Continuation of assistance in photogeologic mapping, to localize and expedite geologic and mineral exploration surveys which will be aided further in selected portions by magnetic contour maps to be provided by an airborne magnetometer survey.

This project first started in FY 1954.

Continuation of assistance in the establishment and operation of a mineral research and mining extension center in which the economic value of mineral deposits may be quickly ascertained by prospectors and the most economical methods of extraction and beneficiation can be determined according to the characteristics of the minerals and ore bodies.

HEALTH AND SANITATION
Total U.S. Cost - $539,000
No. of U.S. Technicians-13
No. of Training Awards -20
Host Country Contribution - $450,000

Objectives: (a) To raise the standards of health of the urban and rural population through technical assistance in the development of suitable programs in the fields of health and environmental sanitation, the principal task being a reduction in morbidity and mortality of Egypt's most disabling and preventable diseases.

(b) To give assistance in strengthening the Ministry of Public Health through an exchange of technical knowledge and skills, and

(c) Assistance in providing local training for professional and sub-professional personnel to assure ample technicians trained in the field of public health to meet Egypt's urban and rural needs.

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Problem in the Field of Activity: Egypt is essentially an agricultural country with four-fifths of the population living in the rural areas. This valley is one of the most densely populated areas in the world. The life expectancy is thirty-five years. The rural workers live with extremely poor sanitary facilities which are responsible in a large measure for the high disease rates. Malnutrition and dietary deficiencies are common, and reports indicate that in some districts from 65% to 80% of the people are undernourished. Less than 500 of the 4,200 rural communities have a resident physician. Not more than a fourth have their own safe water supply.

Existing Programs: The Ministry of Health and the Ministry of Social Affairs have developed jointly a rural community health and welfare program which is designed to meet the total needs of the family. This approach is new in its concept in Egypt, and the health and social welfare officials are desirous of extending this combined program to all rural areas. The control of bilharzia has been an important activity of the Ministry of Health for many years. The institution of sanitary control measures, principally potable water and human waste disposal, has received stimulation in recent years. Efforts are at present being made in the field of training, principally in the sub-professional field — sanitarians and nurse mid-wives. The extension of potable water to the villages and the improvement of the disposal of human and animal wastes is being developed on a moderate scale.

The World Health Organization, U.N.I.C.E.F., and the Rockefeller Foundation are cooperating with the Government of Egypt in their respective fields. Care is exercised through the continual exchange of information between the Government of Egypt and the various international agencies to prevent duplication of effort and overlapping of programs. To further coordinate the work of the various international agencies, the Ministry has established an office of international liaison responsible directly to the Minister of Health.

Local Organization: The technicians assigned to the Health and Sanitation Field Party will work with the corresponding technicians in the Ministry of Health to develop programs and help strengthen the various departments of the Ministry of Health. The joint projects will be executed wherever possible by the technicians of the Ministry of Health, with technical and administrative supervision by the U. S. technicians.

Major Activities in FY 1955	Progress to Date
Rural Community Health and Sanitation Program - $50,000	
The development of a demonstration rural health and sanitation project in one of the established villages in the Buheira Province will serve as a training center for Egyptian personnel that will be used in the EARIS Health and Sanitation	Statistical surveys have been made and these data are being used as the basis for program development and evaluation.

[redacted]

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Program, and to develop the community approach to health problems. Emphasis will be placed on the prevention of disease, through improved sanitation, vaccination against preventable diseases and health education.

Experimental Schistosomiasis Control - $340,000

It is proposed to select an area in the Buheira Province and to conduct a pilot control project with sodium pentachlorophenate to determine its efficiency in the destruction of the Egyptian vectors of schistosomiasis and its value in the control of the disease.

Based on the results obtained during the first year of this project, it was agreed between the Ministry of Public Health and Operations Mission to Egypt that the project should be continued over the 5-year period necessary to obtain the pertinent data for a true evaluation of the molluscacide in the control of schistosomiasis.

Rural Potable Water - $35,000

A pilot project to establish criteria for future village potable water distribution systems. The project plans to extend distribution systems from existing mechanical water installations, installed by the Government of Egypt, into the village proper and is intended to furnish information regarding feasibility, cost, consumption, and effect on health conditions.

Project just getting started in FY 1954.

Professional and Sub-Professional Training - $114,000

Assistance in the development of an appropriate curriculum and equipping a school of public health in cooperation with the Ministry of Health, the Ministry of Education, W.H.O. and the University; assistance in nursing education to improve educational standards of the government schools of nursing; and in the establishment of suitable courses in sanitary engineering in the university.

The development of training centers in the rural areas for sanitarians; the training of auxiliary health workers for rural communities; and the training of hospital nursing aides for rural communities.

This project just getting underway in FY 1954.

EDUCATION

Total U.S. Cost - $902,000
No. of U.S. Technicians-24
No. of Training Awards -10
Host Country Contribution-
$618,000

Objectives: To help to establish the foundations for a sound functional educational program to aid Egypt in achieving the economic, civic and cultural understandings required for successful self government.

Problems in the Field of Activity: A highly centralized educational pattern prevents the full mobilization of professional personnel in solving educational issues; shortages of trained teachers; and an overwhelming lack of physical facilities prevents at least two thirds of Egyptian children of school age from enrolling in school; inadequate facilities prevents development of the technical and vocational type training necessary to equip Egyptians to use modern methods in agriculture, business, and industry; and one of the highest illiteracy rates in the world makes it difficult to secure popular support for an adequate educational program.

Existing Programs: The Government of Egypt is making tremendous efforts in each of these problem fields. They are beginning to build a basic concept of the functional role of education in improving their nation. Limited assistance on fundamental education is available from UNESCO and a small training-within-industry program is being contemplated by the International Labor Organization. Regular meetings are held with these groups to insure maximum program effectiveness and coverage of problems here in Egypt.

Local Organization: The Egyptian-American Joint Committee for Education was established in a program agreement signed on 18 June 1953. A standing executive committee has been formed within the Ministry to identify project agreement areas and to coordinate divisions of the Ministry working on the execution of these projects. A series of project area committees has been formed. These committees provide basic information and assistance in carrying out project agreements. The table of organization of the United States technical staff contemplates a continuous effort at teaching with and training members of these committees in the improved execution of their duties.

Major Activities in FY 1955

Rural Teacher Training - $130,000

Establishing within rural areas of Egypt several demonstration centers as a part of a new overall effort to increase the income of the people of Egypt. In connection with market

Progress to Date

During FY 1954 the rural teacher training program will be operating in the three rural teacher training centers. In these centers a special emphasis will

analyses and related studies which are now being made, add to the teacher training curriculum courses which will enable teachers to train students to work in small industries, including the so-called cottage industries, The development of training centers, the training of teachers, the development of appropriate instructional materials, and the establishment of essential marketing arrangements.

be given to producing teachers capable of meeting the needs of rural life in Egypt today. The special training techniques developed and carried out in these centers will be extended all over Egypt as further teacher education institutions evolve. The training in these centers will give heavy emphasis to the concept of the community school which is practically unknown in Egypt at this time.

Audio Visual Education - $60,000

Continuation of a program in audiovisual education. Emphasis on industrial instructional materials in support of the vocational education program and the Rural Improvement Service project. Production of special instructional material for the new "open-air schools" planned by the Ministry for FY 1955.

Project being inaugurated in FY 1954.

Rural School Development - $87,000

Training of field crews to go from village to village to train the villagers in the use of machinery to build their own schools in order to enable the Egyptians to provide themselves with the teachers and the buildings necessary for a sound school system.

Project being inaugurated in FY 1954.

Vocational Education - $300,000

Revision in the curriculum and methods of teaching of the 12 vocational agricultural secondary schools throughout Egypt. Establishment of demonstration training activities covering business education, home-making, programs for girls, technical education, guidance and counseling program, a farm youth program and a teacher training program in the field of vocational agriculture. Major emphasis in the field of technical education in order to stimulate additional income producing activities, including

This project will be initiated in FY 1954.

programs for the counseling, guidance, and placement activities; women's home-making education activities; farm youth program; technical education teacher training center and development of model technical education centers covering strategic industrial fields throughout the country.

Fundamental Education - $100,000

A new program in FY 1955.

The establishment of an emergency program of open-air schools for children of elementary school age in 25 villages in a selected province where other school facilities do not exist or cannot immediately be provided. A parallel program of training to prepare teacher-leaders to take charge of these open-air schools.

INDUSTRY AND MINING

Total U.S. Cost - $273,000
No. of U.S. Technicians- 5
No. of Training Awards- 10
Host Country Contribution- $258,000

Objectives: To assist the Egyptian Government in carrying out a program to develop industry pursuant to recommendations made by the A.D. Little, Inc. under a contract with Point IV, and a program to be developed by the National Production Council on the basis of these recommendations. To provide engineering assistance to established Egyptian manufacturing plants to enable them to expand more efficiently. To advise the Egyptian Government on legislation and regulatory policies that will encourage investment of private capital in Egypt. To assist Egyptian investors in establishing new industries and in finding American and other foreign firms to cooperate with them in building new plants. To provide advice on the formulation of a national power development program.

Problems in the Field of Activity: The manufacturing industry in Egypt is under-developed, with no more than 500,000 employed, 70% of whom are in small work shops employing five or fewer persons per establishment. The survey by A.D. Little, Inc., indicates numerous opportunities for new industries in processing agricultural products, utilizing local raw materials, and replacing manufactured goods now imported. Increasing industrial employment will help to correct the country's present over dependence on agriculture, will provide a more diversified export trade, and will contribute toward raising the standard of living.

Existing Programs: The Government of Egypt is extremely anxious to encourage industrial activity and has established the National Production Council with paramount authority to develop a program. This program will be based largely on the recommendations of the A.D. Little Survey, and the follow-up reports provided in the A.D. Little contract.

Local Organization: Advisory services to Egyptian Government and its National Production Council.

Major Activities in FY 1955	Progress to Date
National Power Development - $16,000 Completion of survey on power development capacities and market requirements. Formulation of power management and development plans.	Project to be initiated in mid fiscal year 1954.
Industrial Development - $257,000 Advising the National Production Council in its job of laying out a comprehensive blueprint for industrial development; providing and distributing information about business opportunities in Egypt and supplying special help to American firms interested in capitalizing on these opportunities; assisting the Egyptians in obtaining loans from the World Bank and the Export-Import Bank by developing feasible industrial plans which require foreign exchange, and assisting the Government of Egypt in adopting general policies and legislation under which private business can flourish.	A general survey, which extended over the first half of calendar 1953 and employed a group ranging between two and six technicians from Little, as well as a counterpart staff of five Egyptian economists made available by the Ministry of Commerce and Industry under the project agreement, has now been completed. The survey discloses that while there are a number of fairly good possibilities for starting new industries in Egypt and for developing those already operating in the country, the process of actually carrying out industrial development will be fairly complicated by the overall political uncertainty, the tradition of detailed regulation of Egyptian business by the Government, and the lack of foreign exchange reserves for imports of machinery and equipment — among other factors.

[redacted]

GENERAL AND COMMUNITY DEVELOPMENT
Total U.S. Cost - $190,000
No. of U.S. Technicians -14
No. of Training Awards - 0
Host Country Contribution - $180,000

Objectives: To assist the Government of Egypt in an overall province development program including water development, soil preparation, housing, transportation, education, health, and social welfare. This program provides means for extending the land that can be utilized in order to combat the problem of over population.

Major Activities in FY 1955

Egyptian-American Rural Improvement Service - $175,000

This provides for the development of two areas in two different provinces, Buheira and Fayoum. It seeks to develop on a cooperative basis with the Egyptians a total of approximately 33,000 acres and will provide future resettlement of families.

Progress to Date

Establishment of the administrative structure forconducting the program which is established to take five years, the allocation of $10 million in 1953, matched by $15 million of the Government of Egypt, the agreement signed on the soil survey and joint planning for all phases of the entire program.

Housing - $15,000

The development of a housing research center for the purpose of determining more suitable methods and materials for the construction of both urban and rural housing, and assistance in plans for city development.

An informal request has been received from the Egyptian Government for such a housing research center and for a city planning expert.

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IRAN

FOREIGN OPERATIONS ADMINISTRATION, IRAN

Total U.S. Cost	23,057,000 *
Technical Assistance	10,074,000
Special Economic Aid	12,983,000
Estimated Iranian Contributions	**
No. of U.S. Technicians	265
No. of Training Awards	100

* Financed partly under the Act for International Development and partly by special Economic Aid - to assure maintenance of an integrated total Iranian program at least at present levels, approximately $25,000,000.

** Contribution predicated on financial stability.

I. RESOURCES AND NEEDS

Natural:

Iran, situated between the Caspian Sea and the Persian Gulf, has 1200 miles of common border with the Soviet Union. The total area is 628,000 square miles or about 2½ times the size of Texas. High mountain ranges make up two-thirds of the country. There are many salt and sand deserts unfit for cultivation. Only about 1/15 of land is cultivated. Rainfall varies from up to 40 inches annually in the Caspian littoral to only 4 inches in Isfahan area. Since part of this occurs as heavy snowfall in winter, large quantities of unutilized waters drain into seas and deserts. The Karun is the only sizeable river. Mineral wealth is chiefly petroleum. Undetermined and largely unexploited deposits of coal, iron and other minerals are reported. About 11 percent of total land area is in valuable forests, the richest of which are in the Caspian littoral. Fishery resources in the Caspian area are rich, but those along the Persian Gulf are relatively unused.

Human:

Population estimated at 19,140,000; 80 percent rural. There are 28 cities of over 30,000 population. Tribal groups number about 4 million, about half of whom are nomads. The people are predominantly Moslem.

Capital:

Until the curtailment of oil revenues in 1951 resulting from the Anglo-Iranian Oil Company (AIOC) dispute, Iran normally depended on oil revenues for approximately two-thirds of its foreign-exchange income. In the last year of AIOC activities, an estimated $96,400,000 accrued to Iran from its operations. Cessation of this revenue has had three major serious results: (1) lacking other sources of foreign exchange, Iran has been hard-pressed to pay for its surplus imports. (2) The social and economic programs of the Seven Year Plan Organization of Iran, into which the technical cooperation program in Iran is geared, have been postponed. (3) Iran has been unable to meet its internal budgetary needs.

Present Situation:

Failure to effect an oil settlement has blocked all attempts to negotiate foreign loans, and the monthly budgetary deficit has mounted steadily. Financial and political instability have discouraged private investment. The dollar exchange rate which stands officially at 32 rials : 1 dollar has gone to 41, 55, 65, 83, and 96 rials :1 dollar, with the free market rate going as high as 145 rials : 1 dollar in the bazaars in the summer of 1953. A new currency issue of 3 billion rials disappeared from circulation within a few months. As a result, the government has been unable to fulfill many of its commitments under program and project agreements with TCI, Iran. Foreign imports have dropped to a minimum. Machinery and supplies valued at $26,000,000 have been piled up on the docks at the port of Khorramshahr, because importers were unable to pay customs duties.

In September, 1953, after the overthrow of the Mossadegh government, it was evident the new government could not survive without immediate financial and budgetary support and the expansion of employment. However, an Emergency Grant of $45 million from the United States, together with the $23,500,000 on the FOA FY54 program, have enabled the government to meet operating costs and fulfill some of its promises.

II. GENERAL SITUATION

Eighty percent of Iran's population is engaged in subsistence agriculture, but only one-fifth of Iran's arable land is being farmed. Agricultural production is low because of primitive agricultural methods; because of poor seed and inadequate tools; and because most of the limited rainfall is wasted. Once-fertile lands are barren, or have become alkaline wastes through exhaustion and careless irrigation. Hardwood forests are destroyed to make charcoal for fuel, while known deposits of coal remain underground for lack of machinery and transportation. A promising fishing industry has been allowed to deteriorate.

A large percentage of the people suffer from diseases, with little medical care. Malaria, tuberculosis and dysentary are endemic in almost every part of the country. Trachoma blinds thousands in childhood or later. Infant mortality averages 50 percent of the births. Elementary sanitation practices are largely unknown.

The Iranian school system has been geared to provide a type of education theoretically needed for an intellectual elite. Only a few now attend, and 90 per cent of the people are illiterate. Without technical or vocational school facilities, the 2 percent of the population forming the semi-skilled laboring class can hardly provide the type of manpower needed to expand Iran's industrial capacity.

Private investment in Iran, either national or foreign, has never reached appreciable proportions, with the exception of foreign investment in oil. Traditionally, most of the wealthy people of Iran convert

their wealth into land, which is relatively unproductive, or else into gold or silver. For that reason most of Iran's small industrial capacity has had to be developed, at least in part, with public funds. Exhorbitant interest rates and the practice of buying on consignment make it extremely difficult for private industry and trade to mature.

The ferment caused by the rapid change from an agrarian and feudal economy to a complex modern industrial one has been aggravated in Iran by international rivalries which for over a hundred years have made it the prize and price of empire. The 1200 miles of common border with Russia on the north, and on the east and south with India as part of the British empire, are facts which have shaped every internal move. The ferment and unrest and the common frontier with Russia are still the two factors which overshadow Iran, and the Communists through the Tudeh party have been able to exploit grievances into a dangerous threat to the continued independence of the country.

Iran has taken enlightened measures toward vitalizing its internal economy. The Seven Year Plan, projected in 1949, provided a far-reaching program to improve agriculture, health and education, to develop industry and commerce, and to exploit natural resources by using revenue from the country's oil. When oil revenues ceased in 1951, however, because of the Anglo-Iranian oil dispute, the Plan had to be suspended just as it was taking effect, since little help for the plan could come from Iran's other resources of revenue. In addition, the loss of oil revenue and lower customs receipts from reduced imports meant that Iran could produce only half of the funds required for her annual budget, and only a little more than a half of the foreign exchange needed for normal imports.

The result of this development was a dangerous reduction in the rate of development; and this was reflected immediately in increased political and social unrest. During the past two years the operation of the Technical Cooperation Program has been an appreciable factor in keeping such manifestations from eruption into chaos which the communists would welcome. The fact that this program symbolizes an open tie with and support from the west has become increasingly important. It has strengthened the hand of pro-western elements both in the Government and among the people.

It is apparent that for many years Iran will be unable to create or attract enough capital to develop a balanced social economy, and that the critical situation which brought about the Emergency Grant of $45,000,000 from the United States in September 1953, can continue as a threat to world peace, and an invitation to communist intervention. It is generally accepted that U.S. assistance through FOA provided almost the only means in 1952 and 1953 of carrying on many government programs and completing construction of dams, water systems, and roads which had been brought to a standstill. TCI took over the major part of financing of such programs as malaria control, locust control, and of the improvement programs in health, education and agriculture planned and started by the government.

Large capital investment, together with technical assistance and training of Iranian nationals in order to insure effective use, will be necessary to develop resources and production, and to carry out measures of social improvement vital to the stability of the country. The direction of United States financial and technical assistance into the channels best able to achieve these aims will strongly influence the government in its operations, and serve as a safeguard to American interests.

III. THE PROGRAM

Objectives:

To improve the living standards of the Iranian people and to promote the country's social and political stability by encouraging and strengthening her economic development efforts to:

1. Increase the supply of food and other agricultural products to meet more adequately the needs of the people;

2. Improve public health and sanitation as the primary attack against endemic diseases;

3. Improve and expand fundamental education at all levels; train teachers and provide technical educational facilities to support industrial and agricultural development;

4. Develop industries and mining as a means of increasing production and opportunities for employment, and of giving better balance to the economy;

5. Improve industrial working conditions;

6. Improve marketing methods and channels;

7. Encourage development of stabler and more democratic institutions, including improved land-tenure position for the peasants;

8. Assist the Iranian government in modernizing its administration and adopting improved programs and methods in government departments.

IV. CHRONOLOGY OF AGREEMENTS

Program Agreement Number	Title	Date Executed
1	Memorandum of Understanding, Ambassador Grady and Prime Minister Razmara	10/10/50
2	Program Agreement in Agriculture	4/ 1/52
	Amendment No. 1	5/12/52
	Amendment No. 2	6/22/52
	Amendment No. 3	12/31/52
	First Extension	2/ 4/53
	Amendment No. 1	2/26/53
	Amendment No. 2	3/14/53
	Amendment No. 3	5/ 6/53
	Amendment No. 4	6/10/53
	Amendment No. 5	7/ 8/53
3	Program Agreement in Public Health	4/ 1/52
	Amendment No. 1	5/12/52
	Amendment No. 2	6/23/52
	First Extension	12/31/52
	Amendment No. 1	3/31/53
	Amendment No. 2	5/ 6/53
	Amendment No. 3	5/10/53
	Amendment No. 4	6/17/53
4	Program Agreement in Education	4/ 1/52
	Amendment No. 1	5/27/52
	Amendment No. 2	6/23/52
	First Extension	3/19/53
	Amendment No. 1	6/11/53
5	Program Agreement in Student Assistance	3/29/52
	First Extension	9/ 7/52
6	Program Agreement in Industry	5/12/52
	Amendment No. 1	6/21/52
	First Extension	4/15/53
	Amendment No. 1	6/24/53
	Amendment No. 2	6/20/53
7	Exchange of Notes re Purchase of Sugar	3/30-31/52
	Extension	10/28-29/52
	Amendment No. 1	2/19-20/53
	Amendment No. 2	6/21/53

Program Agreement Number	Title	Date Executed
8	Program Agreement in Transportation	5/21/52
	Amendment No. 1	6/25/52
	Amendment No. 2	4/22/53
	Amendment No. 3	6/ 3/53
9	Program Agreement in Community Housing	5/19/52
	Amendment No. 1	6/21/53
10	Program Agreement in Natural Resources Development	6/21/52
	Amendment No. 1	3/11/53
	Amendment No. 2	6/30/53
11	Program Agreement in Communications	6/21/52
	Amendment No. 1	5/13/53
12	Program Agreement Concerning Land Distribution	9/27/52
13	Program Agreement in Public Administration	2/25/53
14	Program Agreement in Agrarian Development	6/21/53

Financing:

Operating funds obligated by 1954 program agreements will for the most part be contributed to Joint Funds. Six of these have been established, and U.S. contributions for FY54 to these are expected to be:

Joint Fund for Agriculture	$ 2,092,300
" " " Health	3,000,000
" " " Education	1,133,000
" " " Economic Development	7,000,000
" " " Agrarian Development	14,375
" " " Public Statistics	209,000

Local currency will be required for local costs of the program, but the United States contribution will be in dollars, and the local currency needed will either be contributed by Iran or purchased pursuant to agreements negotiated with the Iranian Government. The provision of sufficient rials for the operation of the program has been one of the major difficulties in program execution.

Organization:

FOA operations in Iran are carried out through a headquarters operations and program staff in Tehran, and 8 regional offices. These offices, established at Ostan capitals and responsible for FOA operations throughout that Ostan, are staffed by a small team of American technicians, and by Iranian technicians assigned from or through the Ministries. In FY 55, it is planned to open two more regional offices, with a reduced American complement possible because of the large number of Iranian technicians trained by FOA.

The Iranian-United States Joint Commission for Social and Economic Development, composed of six Iranian members and five American members from FOA, serves as the coordinating body between the Ministries of the host government and FOA, Iran. Sub-Joint Commissions in the Ostan centers coordinate the work on the regional levels. Establishing regional offices has made it possible to spread the FOA program throughout Iran to all levels of government and community operation, and to combat the over-centralization and rigidity which is one of the weaknesses of the Iranian government.

Country: IRAN
Appropriation - FY 1955

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REVISED

TABLE VII

TECHNICAL ASSISTANCE
OBLIGATIONS BY ACTIVITY AND COST FACTORS
Fiscal Years 1953, 1954 and 1955
(In thousands of dollars)

FIELD OF ACTIVITY	TOTAL	SUPPLIES & EQUIPMENT	PROGRAM PERSONNEL COST	TRAINEES No.	TRAINEES Cost	LOCAL COSTS
AGRICULTURAL & NATURAL RESOURCES						
1953	3684	2685 a/	999	--	--	--
1954	4400	388	1103	48	162	2747
1955	3563	--	1482	--	153	1928
HEALTH AND SANITATION						
1953	4689	4040 a/	649	--	--	--
1954	2204	--	690	34	84	1430
1955	1891	00	512	--	103	1276
EDUCATION						
1953	1873	1416 a/	457	--	--	--
1954	2576	--	732	23	82	1762
1955	1759	--	681	--	81	997
TRANSPORTATION AND COMMUNICATIONS						
1953	666	655 a/	11	--	--	--
1954	201	50	--	--	--	151
1955	145	--	68	--	--	77
INDUSTRY AND MINING						
1953	2195	2128 a/	67	--	--	--
1954	860	114	417	11	55	274
1955	920	--	409	--	50	461
PUBLIC ADMINISTRATION						
1953	625	577 a/	48	--	--	--
1954	716	78	147	19	67	424
1955	760	--	204	--	63	493

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TABLE VII

Country IRAN cond't
Appropriation - FY 1955

FIELD OF ACTIVITY	TOTAL	SUPPLIES & EQUIPMENT	PROGRAM PERSONNEL COST	TRAINEES NO.	TRAINEES COST	LOCAL COSTS
GENERAL COMMUNITY DEVELOPMENT						
1953	8313	3,400	33	170b/	561b/	4319 c/
1954	1100	—	360	—	—	740
1955	1036	—	684	—	—	352
TOTAL						
1953	22045	14901a/	2264	170	561	4319
1954	12057	630	3449	135	450	7528
1955	10074	——	4040	—	450	5584

	CONTRACTURAL SERVICES	JOINT FUNDS
1953	1,288	13,005
1954		
1955		

FUNCTIONAL PROGRAMS

AGRICULTURE AND NATURAL RESOURCES

Total U.S.Cost	$6,439,000
Technical Assistance	3,563,000
Special Economic Aid	2,876,000
No. of U.S. Technicians	59
No. of Training Awards	30

Objectives: To assist in the development of long-range agricultural improvement through the establishment of essential extension and research organizations, undertaking the improvement of seed and livestock varieties, the elimination and control of livestock disease and the assistance in the development of irrigation and similar works.

Major Activities in FY 1955

Livestock Improvement:

Technical Assistance	$695,000
Special Economic Aid	555,000

Improved livestock and poultry through better research; establishment of additional artificial insemination stations and livestock centers where most needed; addition of poultry demonstration flocks, and importation of more purebred livestock for breeding purposes.

Plant Production:

Technical Assistance	$625,000
Special Economic Aid	644,000

Seed improvement, superior methods of cultivation and fertilizer for principal crops including vegetables, cereals, sugar beets, cotton, fruit and nuts, tea, sugar cane and forage crops. Demonstration cotton cultivation, ginning and grading methods. Demonstration suitable areas for sugar beet cultivation. Improvement of tea, rice, sugar cane and fruit cultivation. Seed exchange control of smut and research in insect control.

Progress to Date

40 Brown Swiss bulls and heifers plus 10 Red Sindhi bulls imported for use in improving Iran Livestock. Approximately 7500 cows have been bred in past 12 months at artificial insemination centers. 1,075 Remboumillet rams and ewes imported for foundation breeding flocks, natural flock crossing and artificial insemination. Over 2000 ewes bred by insemination in past 12 months. 15 Cyprus jacks imported for improvement of pack animals. 135,000 chicks imported in last two seasons resulting in bigger birds and larger eggs in Iran. Established flocks are both official and private to assure production of purebred chicks in future. 8½ million animals vaccinated and treated since 1952 plus 30,000 administrations New Castle vaccine to poultry demonstration flocks. Approximately 2,000 persons (farmers and tribesmen), have been trained or observed techniques of simple medications and vaccinations. Poultry pathology laboratory and regional diagnostic laboratories in process formultion as well as foot and mouth disease lab.

Improved seed distributed to over 6000 farmers, and used on 12,000 hectares land in 400 villages; returns indicate yields increased 50 to 100% seed cotton, on one variety basis, being grown in 21 villages; 1,000 hectares planted of two proved varieties thriving and expected to produce 1,000 tons high quality seed and 500 tons good fiber, to permit planting 18,000 to 20,000 hectares in 1954 - about 10% of cotton area in Iran. These two varities may satisfy needs of country in 5 years. Yield of sugar beets per acre increased 250% by application improved tillage methods, early planting, proper thinning, and use proper fertilizer. Row planting and cultivation beets and cotton accompanied by

Extension Service:

Technical Assistance	$812,000
Special Economic Aid	226,000

Assistance continued in development of Ministry of Agriculture extension service, including training of Ministry personnel in various aspects of extension work. Assistance to Karaj Agricultural College to improve curricula and methods to train skilled technicians and agricultural leaders and eventually to take over task of preparing extension specialists.

Agricultural Engineering:

Technical Assistance	$642,000
Special Economic Aid	245,000

Continue establishment of Farm Machinery repair shops and demonstration centers. Assist in training teachers in Farm Mechanics for vocational agricultural schools. Establish experimental farm machinery cooperatives. Educate and train local village personnel in the operation and function of cooperatives. Establish demonstration fields on row culture as previously undertaken. Conduct short irrigation courses in regional offices. Conduct water measuring demonstrations and irrigation efficiency tests in regions. Land Leveling demonstrations in regions. Conduct 6 months course for deep well pump operators.

shallow furrow irrigation has increased yield and saved water. Training courses conducted in cereals, cotton, vegetables for vocational agricultural supervisors and teachers. 150 persons given training superior methods plant production . 100 technicians received on-the-job training. Field visits and conferences trained 2,500 more persons, of which 300 are Iranian officials. 50 top-level Iranians participated in planning and supervising projects. Insect control has included 50,000 hectare spray program for locusts, protecting about ten times that area. 10 Iranian pilots and 7 mechanics trained. Cotton insects, sugar beet insects and melon aphids controlled on all seed increase areas and all experimental plots.

11 Extension Service orientation courses held in the Ostans for 764 persons. 9 special meetings held for instruction of 176 landlords. 7 training courses of 90 days for local extension workers with 190 participants, 103 of whom were from Ministry. A course for regional supervisors held in Tehran with 45 attending, including Ostan Directors of Agriculture. Continuation of construction at Karaj Agricultural College started in previous years. Modernization of soils laboratory and chemistry building. Addition of needed equipment. Reorganization of curricula and courses. Purchase of books and periodicals. Printing of technical material in Farsi.

Improvement of instruction. Work begun to revise present Coop law to make it more satisfactory. Five cooperatives assisted in organization. 40 trainees given instruction in cooperative organization and management. 50 demonstration irrigation-fertilizer stations established. 2,200 people attended demonstrations. 6 irrigation shortcourses held for 340 persons. Two motion pictures and 25 slide films produced on irrigation.

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Objectives: The continuation of a program of investigations and analyses for the determination of water resources potentialities, together with the preparation for plans and designs, and the execution of such projects. Continued assistance to the Bandar Abbas fishing industry to develop the industry on a profitable commercial basis. Modernization of copper and lead mines, and the continuation of geological surveys. Effective conservation of Caspian forest resources, the establishment of regional nurseries, and the demonstration of improved lumbering practices.

The Problem: Water, its proper use and conservation, is of the utmost significance to life in Iran. The very word for water, "AB", suggests the importance which the earliest Persians gave to their dependence upon water. Except for the Caspian area, Iran is an arid and semi-arid country, with annual precipitation averaging about ten inches. The major portion of rainfall runs off uselessly to the deserts or the sea, and the supply of water available for irrigation is a major limiting factor in crop production. There is almost a complete lack of accurate information and statistics relating to meteorology and hydrology. The few large water resource development projects which have been initiated were originally undertaken without adequate water and land utilization plans.

Major Activities in FY 1955

River Basin Surveys and Development:

Technical Assistance	$431,000
Special Economic Aid	510,000

Continuation of assistance to the Irrigation Bongah to establish stations throughout the country for stream measurement, meteorological data, evaporation, run-off of silt, etc., and the making of other land surveys for procurement of data essential to planning for a maximum utilization of all water and land resources. Concurrently, equipment and supplies will be purchased and Iranian technicians and other personnel trained in the investigation of selected proposed land and water use projects, including their settlement, operation and maintenance, and in the detail preparation of detailed plans for such projects. Completion of surveys and investigations previously initiated for the development of projects to utilize the land and water resources of the Zayendeh Rud river basin and the Kuhrang Tunnel Development. Continuation of studies relating to land classification and water use in connection with the various dams and irrigation projects

Progress to Date

Two projects, covering Land and Water Use, and River Basin Surveys (Project Agreements No. 22 and 36) were initiated in 1952. Actual soil surveys and aerial photogrammetry were performed under the former and fifty sets of river flow gauging instruments and fifty sets of meteorological equipment were ordered under the latter agreement. Stations for stream measurement will have been set up for major river basin projects proposed, and a number of Iranian technicians given practical training in soil surveys, aerial surveys, and basin planning.

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programmed for construction or partially completed, such as Golpayegan, Karkheh, Dorrodzan, etc., in the development of Land and Water Use Plans.

Mining and Geological Surveys

Technical Assistance	$269,000
Special Economic Aid	562,000

Continuation of the demonstration of modern methods in geological surveying, to accurately determine the mineral resources suitable for development in Iran. Also the modernization of a copper and a lead mine will be initiated, demonstrating modern methods and training a number of Iranians in mining operations and the primary processing of ores in presently operating mines which are of critical importance to the country's industry.
The continuation of reconnaissance geological surveys of mineral deposits in cooperation with those technically trained personnel of the Iranian government as are now available.

Preliminary reconnaissance of operating mines and proven resources was made during 1953, and more detailed geological surveys and analyses of mineral resources, together with training of Iranians in survey and assay techniques will be conducted during 1954.

Fisheries:

Technical Assistance	$ 79,000
Special Economic Aid	150,000

Continued assistance will be given at the Bandar Abbas plant to provide equipment to develop the industry on a commercial scale, to expand further the fish capture potential in line with increased shore processing facilities through provision of two fishing boats and gear, and to establish boat and gear maintenance and repair facilities and provide the training in modern operations to the Persian Gulf fishing industry technicians. This project will be coordinated with the fish freezing project proposed under the FY1955 program.

During 1952 necessary surveys of the fishing industry potential in the Persian Gulf were made, and a project for technical and financial assistance was developed for FY 1954. Charter of a survey fishing vessel and provision of necessary equipment to initiate operation of the Bandar Abbas fish drying and canning plant is proceeding.

Forestry:

Technical Assistance	$115,000
Special Economic Aid	134,000

Material and technical aid to the Forest Bongah in the planning and

carrying out of a long-range program of conservation of the natural forest areas and of village woodlots, including tree planting and all other phases of forest management in the Caspian area, as well as the establishment and extension of regional nurseries. These operations to be carried out through the Forestry Cooperative, within the Iranian governmental organization. Assistance in setting up small demonstration saw mills, to demonstrate improved lumber utilization, and assistance to the lumbering project proposed under the FY 1955 Industry program will also be provided.

Training to Iranian forest guards was provided, and demonstration charcoal kilns were operated during 1953 to introduce modern forest management techniques. An aerial survey of forest areas, and the initiation of a comprehensive national village-wood-lot planting program was made. During 1954, a Forestry Cooperative will be set up to provide the first central management of Iranian forest resources by the government.

HEALTH AND SANITATION

Total U.S. Cost	$3,849,000
Of Which Under AID	1,891,000
Special Economic Aid Needed	1,958,000
No. of U.S. Technicians	44
No. of Training Awards	24

Objectives: To establish within the Ministry of Health of Iran an operating and functioning division of Preventive Medicine with the objectives of assisting and promoting the establishment of sound operating programs in public health and sanitation.

Major Activities in FY 1955

Through the Ministry of Health Public Health Cooperative Organization, a Joint TCI and Ministry of Health enterprise, programs in public health administration, health center operation, sanitary engineering and other related specific public health projects are conducted. Specific activities include the supervision of drilling of 50 water deep wells, design and supervision of installation of 50 small city water systems, installation of safe water supply and sewage disposal in villages, the development of plans for a municipal water system for Isfahan, assistance in completing the Tehran water system by the end of FY1955, training of sanitarian, sanitarian-aides and engineers, operation of health centers, and operation of mobile health units.

The emphasis is on development of medical programs which can reach large numbers of Iranians and lend themselves to basic simple medical procedures and in sanitary improvements stemming from improvement of water supplies. A trachoma laboratory is operating, nursing programs including home visiting and support to nursing schools are integrated with the medical program. Health education has been established as an operating

Progress to Date

The most significant progress is the establishment of the Public Health Cooperative Organization - a semi-official Ministry of Health Agency which is charged with 95% of the Public Health work in Iran. About 1000 employees are engaged and are receiving continuous training in both administration and professional techniques of Public Health. A total of 600 small water supplies have been developed, 50 public baths completed or under construction, 12 large town (10,000-20,000 population) water supplies designed and materials now under procurement, assistance to the development of the new Tehran water system, 80 village water systems completed or under construction, 20,000 latrines installed, 11 health centers in operation, a school for sanitarian-aides training 25-30 students per term has been established in cooperation with the Near East Foundation.

By the end of FY 1954 the country-wide DDT spraying against malaria will be substantially completed.

program. The ultimate long-range objective is to establish the Public Health Cooperative Organization sufficient that it will be taken in the Ministry of Health intact.
DDT spraying for malaria will continue in a limited area where protection is not yet sufficient.

EDUCATION

Total U.S.Cost	$3,292,000
Of which under AID	1,759,000
Special Economic Aid Needed	1,533,000
No. of U.S. Technicians	55
No. of Training Awards	19

Objectives: To assist the Ministry of Education of Iran in the development of school facilities, school administration and teacher supervision, teacher training, educational curricula and methods, and adult education.

Major Activities in FY 1955

Educational Facilities Development:

Technical Assistance	$196,000
Special Economic Aid	346,000

Development of rural school facilities; technical guidance in building and equipping schools on demonstration basis; development of school organizations; development of vocational industrial schools in major industrial centers and development of vocational agricultural training schools; technical guidance and provision of demonstration equipment. Training in home improvement in city and village schools for girls; curriculum improvement and provision of demonstration equipment. Construction of development of school recreation program initiated in FY 1953.

Progress to Date

Fifty-two elementary schools built and equipped; 18 repaired and renovated; 7 others in process. 18,000 children thus enabled to attend school for the first time. Forty-eight other rural schools opened in Veramin area, enrolling over 5,000 children. Two agricultural schools completed. 11 demonstration teacher-training schools placed in operation and 5 Tehran school playgrounds in operation. Demonstration schools being turned over to Ministry after 1 to 2 years. Tehran Demonstration School now being administered by Ministry of Education. Ministry accepting and using plans and specifications for demonstration school buildings prepared by TCI Engineering staff. Vocational Agricultural schools accepted by Ministry who is assuming a large share of responsibilities of operating those schools. Textbooks in Mathematics (arithmetics) first and second years have been prepared and submitted to Ministry for approval.

Teacher Training and Adult Literacy:

Technical Assistance	$1,563,000
Special Economic Aid	1,187,000

Extension of rural school-supervisory program initiated in FY 1953. Training of school supervisors for rural schools. Training of rural school teachers and assistance in development of curriculum for rural schools. Work will be shifted generally from primary to secondary and normal school level.

A new project to assist the government in its program for the expansion of adult literacy will be undertaken.

An amount of $700,000 under Special Economic Aid will be used for paying the foreign exchange costs of students in the U. S. The rial funds received therefrom will be used for local costs of the program.

Instruction of 15 rural-school supervisors, 12 agricultural-school directors, and 40 provincial chiefs of education; English-language instruction of over 2,800 government officials and technicians in progress; instruction of 4 librarians for Tehran and provincial technical libraries.

In-service training given to over 3,200 rural school teachers; instruction of 700 normal-school graduates in visual aids; education booklets printed and distributed among elementary teachers.

Ministry employing all of the 50 rural supervision and 7 of the 12 agricultural school directors.

All 40 of provincial education chiefs accepted TCI Education program, and are cooperating with regional TCI staff to initiate projects.

Ministry cooperating within teacher training program fully and has indicated that such trainers will become a part of rural teaching education.

TRANSPORTATION, COMMUNICATIONS, AND POWER

Technical Assistance-	145,000
Special Economic Aid-	2,545,000
Total U.S. Cost-	2,690,000
No. of U.S. Technicians-	15
No. of Training Awards-	0

Objectives: Development of programs for construction, rehabilitation, repair and maintenance of transportation, communications and power facilities; to demonstrate; encourage and provide guidance to the responsible Iranian organizations for sound management and operating practices in their fields as well as to train technicians in the aforesaid activites.

The Problem: With respect to highways and roads, Iran's transportation system is grossly inadequate. Despite some development of main highways during last 25 years, present highways do not adequately link various regions of the country. Secondary and farm-to-market roads are virtually non-existent trails, rendering important areas inacessible by automotive transportation. Road design and construction are of poor quality, and maintenance is primitive.

One railroad line crosses the country north and south. East-to-West links, aimed at connecting Tehran with Tabriz and Meshad, have been initiated but are at a standstill. Operation and maintenance of the railway system has been handicapped by lack of funds for the importation of spare parts and other required materials. Administrative and technical operations are of relatively high standard for Iran, but operating methods and practices require much improvement.

With respect to civil aviation, airport improvements are urgently needed throughout the country, particularly in the installation of modern navigational and meteorological aids. Few of the cities have all-weather runways; and lack of navigational aids renders the use of airports at night and during bad weather extremely hazardous.

Communications services in Iran consist of local and long-distance telephone systems, a telegraph system, some shortwave radio facilities, and some international shortwave and local broadcasting facilities. In general, these facilities are inadequate for present needs because of poor maintenance, insufficient capacity or obsolete design. There are about 25,000 telephones in service throughout the country.

Existing electric power plants are inadequate for present needs, being for the most part of obsolete type and in extremely poor condition. There are no grids of transmission lines integrated with more than one other power generation facility. Overloading of lines is common. The shortage of electric power is a major obstacle both in effecting full production of existing industrial plants and to the expansion of industrial capacity.

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Major Activities in FY 1955

Progress to Date

Highways

Technical Assistance- 39,000
Special Economic Aid- 350,000

Purchase of additional highway maintenance equipment units to increase the five mechanized setups to nine. This equipment will be used in the training of Iranian personnel in modern techniques, equipment, care, operation and maintenance as well as proper methods and procedures in road construction and maintenance.

Plans for shop and storage setups have been developed for the five districts (Meshad, Kerman, Shiraz, Tabriz and Qum) where highway maintenance equipment will be located. Specifications have been prepared and sent to Washington covering all equipment for the project. Prospective trainees will be selected as supervisors, operators, mechanics, lubrication and service men and the buildings constructed prior to arrival of equipment from the United States

Railroads

Technical Assistance- 20,000
Special Economic Aid- 300,000

This project covers offshore purchase of additional equipment and spare parts required for rehabilitating the railroad facilities which have deteriorated during the past years due to lack of maintenance. Such items as brakes, ties, bolts, rail plates, switches, etc., as well as parts for locomotives will be purchased. Training in the installation of this equipment and in the various fields of raolroading including shop operation and safety are included in the program.

A letter of credit is established for the purchase of air-brake spare parts. Bids have been received and are being studied covering the purchase of new air brakes in the amount of $140,000. A class for locomotive firemen has been in progress two months. Instruction programs for track maintenance men, signal and electric plant employees, car inspectors, switchmen and brakemen, etc., have been prepared. Shop trainees are at present being given on-the-job instruction

Civil Aviation

Technical Assistance- 20,000
Special Economic Aid- 155,000

Assistance will be rendered to the Department of Civil Aviation in improving and modernizing the system in Iran. This will include the procurement, installation and maintenance of air navigation and meteorological equipment, such as non-directional radio beacons, completion of locater stations, installation of

A total of $109,040 and rials 1,689,000 have been expended on various kinds of equipment required for the project and also for training that has been underway. The training has been provided to 133 students in air traffic control, radio mechanics, meteorological observations, radio operating, etc. English lessons have been given to these trainees.

YP

Major Activities in FY 1955

Civil Aviation (con.)

receiving aerials and transmitter station at Mehrabad Airport, etc. Intensive training in the various fields of civil aviation will be continued with the assistance of the United Nations Mission.

Communications

Technical Assistance-	20,000
Special Economic Aid-	100,000

Assistance to the Ministry of Post, Telephone and Telegraph in the purchase of radio transmitter and receiver sets as well as accessories and spare parts required to improve communications throughout the country. Training will be given in the installation and maintenance of such equipment.

Power

Technical Assistance-	46,000
Special Economic Aid-	1,640,000

Assistance to the Municipality of Shiraz in the construction of a power plant including the purchase of diesel generators as well as the necessary distribution system to improve the city's municipal power supply. Increased assistance in planning and demonstration in the Karaj Irrigation and Power project.

Progress to Date

$142,763 have been expended on telecommunications equipment including cable, radio receivers, telephone terminals and similar materials for the project.

High tension transmission equipment, costing approximately $140,000, was purchased early in 1953 and is about to be installed.

A portion of the costs of 4 diesel generators stored in the port of Bushire has been paid by the Municipality. Some of this equipment has been received and the remainder will be shipped upon completion of payment.

MANUFACTURING AND INDUSTRY

Total U.S. Cost-	4,003,000
Of which under AID-	920,000
Special Economic Aid Needed-	3,083,000
No. of U.S. Technicians-	38
No. of Training Awards-	12

Objectives: To assist Plan Organization and Ministries of Labor and National Economy of Iran in establishing commodity grading and standardization methods, modern business and financial methods, handicraft and small industries cooperatives, and in completing selected manufacturing plants. To provide aid in developing programs in labor training, general labor welfare and labor-management relations.

Major Activities in FY 1955 -	Progress to Date
Surveys and Pilot Development Projects Technical Assistance- 30,000 50,000 Continuation of technical guidance in establishing Bureau of Standards and Analysis Laboratory in Ministry of National Economy and equipping it for testing commodities in Iran and for establishing commodity standards. Assistance in improvement and training in cotton ginning and classing fields and provision for providing technical assistance in various phases of industry including conducting surveys of agricultural products to determine probability of developing for industrial use.	Laboratory now under construction and arrangements being made for contracting one Standards Laboratory specialist to order essential equipment and provide training. Cotton classes conducted in late 1952 and 1953.
Handicraft and Small Industry Special Economic Aid- (TA) 70,000 (SEA) 200,000 Continuation of project for establishment of producer, consumer and marketing cooperatives, particularly in handloom industry; also introducing modern type of handloom for demonstration and forming of cooperatives.	Initiated in FY 1953. Required to improve handicraft products and provide proper marketing procedures and introduction of cooperatives; modern handlooms have been purchased.

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Major Activities in FY 1955

Manufacturing
Technical Assistance- 375,000
Special Economic Aid- 1,209,000

Technical guidance to Plan Org. expansion in textiles, glass manufacturing, lumber and other related manufacturing plants. In addition industry will be assisted in establishing up-to-date and modern business practices, such as business and financial management, cost accounting, etc., which will introduce such things as reserves for depreciation and obsolescence, job loads, work layouts and other factors essential to place Iranian Industry on a sound basis.

Demonstration Wool Scouring plant being established to improve export and domestic marketing. Special economic aid needed for buying machinery and other supplies, in support of Iranian highest-priority developments of manufacturing potential.

Food Supply Processing (TA) 375,000
Special Economic Aid- 1,424,000

Technical guidance and demonstration in introduction of modern production and management methods in sugar, dried fruits and nuts, modern canning, date processing and tea factories and slaughterhouse operation. This will include purchasing of demonstration machinery, tin-plate and other supplies needed in support of Iranian plans to increase substantially its food supply.

Progress to Date

Fars Cement Plant being completed. Rey Cement Plant construction in progress and plant expected to be in operation within a few months. Tchitsazi Cotton Mill (Tehran): several contracts awarded and others to be negotiated. Shiraz Municipal Power System; materials for underground cable system ordered. Negotiations under way for purchase of electric-generating equipment.

Equipment purchased for demonstration wool scouring plant, site selected and building being prepared.

Fassa Sugar Refinery: Construction contracts awarded, building in preparation and some machinery shipments received. Community Canning: Demonstration in training held in Meshed area in preparing fruits, vegetables and conserves. Dried Fruits and nuts: Plant site selected in Maragheh and demonstration equipment purchased. Two sugar refineries; one plant site being studied in Kerman area and equipment manufacturers contract with Plan Organization discussed and certain phases re-negotiated.

IRAN

Labor

Technical Assistance- 70,000
Special Economic Aid- 200,000

Technical guidance to Ministry of Labor in in-service training, and in development of code related to child and woman labor, unemployment insurance, employment services, labor management, and relations, worker's health and safety, and labor welfare; demonstration activities in industrial plants.

Progress to Date

351 industrial plant supervisors trained in labor management relations; 180 technicians trained in cotton classification.

76 training directors trained in plant management in Tehran.

10 demonstration plants selected to demonstrate improvements in working conditions.

2 educational centers planned in Tehran and Isfahan to be used by the employees in workers' education.

PUBLIC ADMINISTRATION

Total U.S. Cost	1,244,000
Of which under Technical Assistance	760,000
No. of U.S. Technicians	19
No. of Training Awards	15
Special Economic Aid	484,000

Objectives: A corollary need in technologically underdeveloped countries related closely to the need for improvement in national health, education, agricultural practice and industrial development, is the need for training in modern administrative procedures and methods. The public statistics project, the project for improving selection and placement of public personnel, and the project for the improvement of law enforcement services constitute one step toward the goal of helping the Iranian Government to modernize its administrative machinery.

Major Activities in FY 1955

Project for Improving Selection and Placement of Personnel

Technical Assistance	54,000
Special Economic Aid	18,000

Procurement of non-language tests, testing apparatus, sample paper and pencil tests, reference books and instruction manuals on testing, subscriptions to periodicals on testing; salaries of part-time trainees in test administration, construction and standardization; duplication and publication of standardized Farsi tests. During this year this project will:

(1) Make an appraisal of future need and deal with distribution of labor in Iran (2) Standardize Iranian non-language tests, and (3) Construct verbal tests of intelligence, achievement, vocational interest and aptitude tests. These tests will be based upon English language models.

Improvement of Law Enforcement Services

Technical Assistance	44,000
Special Economic Aid	97,000

The FY 1953 Police Project provided for the ordering of [redacted]

Progress to Date

Expressions of interest in, and cooperation with, the proposed testing project have been received from the U.S. Mission to the Iranian Gendarmerie, the U.S. Mission to the Iranian Army, the University of Tehran, the Education Division of Point IV and the Statistics Cooperative. From the Industrial Organization of the Government of Iran, and from the Minister of Labor, TCI has received a formal request for cooperation in testing, guidance and industrial psychology.

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patrol cars and two-way radio equipment; the recruitment of three American police specialists; for the training of three Iranian Police officers in the United States. The FY 1954 project is a logical continuation of the 1953 project in which a contract radio expert will be supplied to set up the police mobile communication network and to organize a school for communication procedure, radio repair and maintenance; equipment will be procured for a traffic control school headed by one of the American experts; the police officers' school will be reorganized with the cooperation of Iranian officials by the second American expert with modern training aids and methods; the third American expert will concern himself with reorganizing the finger printing system and training police officers in police laboratory procedures. In order that the four schools - radio communications, traffic control, the general police officers school, and the police laboratory school will benefit the police system country-wide, travel and per diem funds have been provided to bring police officers from the principal cities of Iran to take the courses offered. For FY 1955 it is planned to strengthen the services by training 1500 men in law enforcement.

Three Iranian Police Officers have been selected for training in prison management, traffic control, and criminal investigation in the United States. Recruitment of the three American Police Technicians is under way. Patrol cars, radio equipment, and police laboratory equipment has been ordered.

In addition, provision for piping water to Tehran Prison is made in the 1954 project as a start in improved prison conditions.

Public Finance and Administration Institute

Technical Assistance	$408,000
Special Economic Aid	$345,000

Training for Iranian officials in the management of public funds, through a review and analysis of the present revenue and expenditure system to recommend and assist in modernization of the tax structure. Provision of an Institute to train high level officials from Iranian Ministries and government-owned industries. Training in radio program production, to provide an information spreading center for dissemination of governmental policy and to develop an informed populace.

During 1954, radio program production training was initiated for a number of Ministry employees. A review of Iran's tax structure has been initiated. Training of a number of Iranian officials in modern administrative practices will accompany the joint direction of various projects during 1954.

Public Statistics

Technical Assistance	285,000
Special Economic Aid	99,000

Continuation of a Joint-Fund operated Public Statistics Cooperative Organization providing central statistical planning and technical services to GOI. Professional and technical training through Statistical Training Center. Completion of Fars Agricultural Census Tabulations. Tabulation of Tehran Industrial Survey. Local surveys in fields of Health, Industry, Commerce, Education, etc. Reorganization of Statistical Departments at Ministry level. Publication Monthly Statistical Bulletins in Farsi and English. $243,500 under AID.

Organization and Equipping of Public Statistics Cooperative Organization as integral part GOI. Training of statisticians and statistical technicians. Partial tabulation of Fars Agricultural Census. Enumeration of Tehran Industrial Survey. Survey Planning for Health, Education, Agriculture, Commerce.

COMMUNITY DEVELOPMENT and GENERAL PROJECTS

Total U.S. Cost	1,562,000
Of which under Technical Assistance	1,036,000
Number of U.S. Technicians	35
Number of Training Awards	0
Special Economic Aid Needed	526,000

Objectives: To assist the Government of Iran in establishing an economically and socially sound land distribution program; to aid community development under the Increase of the Farmers' Share Act; to establish, with the cooperation of Government agencies, rural cooperatives for the benefit of the Iranian farmers.

Major Activities in FY 1955

Shah's Land Distribution

Technical Assistance	128,000
Special Economic Aid	336,000

Continuation of the village supervisory system into villages distributed in FY 1953. Program initiated in FY 1953 calls for assistance in the distribution of over 2,000 villages to peasant cultivators through (a) training village supervisors to assist new farmers with credit and technical aid (b) conducting demonstration in community development among first twelve villages distributed (c) providing costs of

Twelve village leaders trained and supervised in assisting 900 farmers first to obtain land. Community development project has proved success of land reform in Iran when combined with low-cost credit and technical help for new farmers. Loans averaging $100 made to farmers for seeds, oxen, etc.; incomes more than doubled first year; more crop acreage planted than ever before. In ten months Development Bank organized to manage efficiently credit activities in remaining villages.

[redacted]

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supervision in those villages distributed prior to agreement requiring farmers to support supervisory system (d) providing initial capital contribution to Development Bank for low-cost credit to new farmers, and (e) providing Financial Advisor to Development Bank.

Rural Community Development
Technical Assistance 428,000
Special Economic Aid

This project designed to support an Iranian law requiring that 20% of the landlords share be returned to the farmers, one-half to be utilized on community improvements by newly-established village councils. In addition to informational aspects (radio, brochures, and conferences) FOA provides 30 specialists in community development, engineering and rural credit, and a financial advisor to the Agricultural Bank to assist village councils.

A brochure describing the operation of the law and the program has been readied for publication, and is to be distributed to every Iranian village and Government official responsible for operation of the law. Agricultural Bank is organizing new unit to administer loans made under program.

Project for Establishment of Rural Cooperative Training
Technical Assistance -
Special Economic Aid 20,000

Establishment of rural cooperatives in each of 10 Ostans. In-service training for 50 selected Co-op trainees. Conferences, seminars, and field trips for trainees to give overall cooperative administrative and field experience.

This is a new project, just getting under way in FY 1954.

Audio-Visual Service
Technical Assistance 30,000
Special Economic Aid 170,000

A project to establish in the University of Tehran an audio-visual laboratory to produce films and film strips, posters, recordings and other material to assist Iranian ministries, particularly in Agriculture, Health and Education, for use in schools, health centers, with cooperatives and village councils, [redacted]

During 1952 and 1953, about 40 training films were produced to supplement technical training and advisory activities of technicians. Radio training in technical program productions will be given during 1954, under an Audio-Visual Education Cooperative which is being initiated, as the central poster, film and informational agency of the Iranian Government.

FUNCTIONAL PROGRAMS

and to train Iranian ministry technicians; will continue the audio-visual activities and training provided by the FOA Mission previously. Strong Iranian governmental support for such an informational media central agency was evidenced, resulting in proposals for a cooperative which produced, utilizes and trains for the information field. A radio production program will be continued, to train Iranians in educational and informational programming.

FY 1953 BREAKDOWN BY COST COMPONENTS AND FIELD OF ACTIVITY
(Thousands of Dollars)

	TECHNICAL ASSISTANCE						SPECIAL ECONOMIC AID		
	No. of Technicians	Technicians	Support Costs	Training	Local Costs	Total T.A.	Supplies and Equipment	Other	Total
Agriculture and Natural Resources	59	1,482	1672	153	256	3563	2132	724	2856
Health and Sanitation	44	511	577	103	700	1891	1685	273	1958
Education	55	681	769	81	228	1759	70	1463	1533
Transportation, Communications and Power	15	68	77			145	2545		2545
Manufacturing, Industry and Trade	38	409	461	50		920	2561	522	3083
Public Administration	19	205	230	63	262	760	247	235	482
General and Community Development	35	684	263		89	1036	223	303	526
TOTAL	265	4,040	4049	450	1535	10074	9463	3520	12983

[redacted]

OBJECT CLASS BREAKDOWN OF TECHNICIAN AND PROGRAM COSTS APPEARING ON PRECEDING TABLE

FISCAL YEAR 1955

Object Class	Description	Total (Thousands of $)
01	Personal Services	
	*American Salaries	$ 1,779
	Local Salaries	1,095
	New Salary Scale	100
	Totals	2,974
02	Travel	
	*Americans	655
	Locals	240
	Totals	895
03	Transportation of Things	
	Program goods etc.	134
	*Personal Effects	144
	Totals	278
04	Communications	
	Telegrams	8
	Telephone	3
	Postage	2
	Pouches	7
	Totals	22
05	Rents and Utilities	
	Rent of Space	206
	Electricity	23
	Kerosene	15
	Diesel Oil	3
	Totals	248
06	Printing and Reports	
	General	20
	Total	20
07	Other Contractual Services	
	Representation	16
	Building Maintenance	112
	Miscellaneous	110
	Repair and Maintenance of Vehicles	512
		751
08	Supplies and Materials	
	Office Supplies and Stationary	220
	Miscellaneous Supplies and Materials	603
	Gasoline for Vehicles	48
	Totals	872
09	Equipment	539
11	Gratuities	2
	*Contract Personnel	1,038
	*Near East Foundation	450
	Grand Total	8,089

* Attributable to technician costs; these costs totalling $4,040,000 distributed by fields of activity and project according to best available information. The remainder distributed by fields of activity under "Support Costs" column of the preceding table.

Total U.S. Cost - $2,342,000
No. of U.S. Technicians - 115
No. of Training Awards - 31
Host Country Contribution - $940,000

IRAQ

I. RESOURCES AND NEEDS

Natural:

Present day Iraq has extremes of desert in west and south, rainclad mountains in the northeast and a broad central oasis or alluvial plain. Roughly triangular in shape, it is dominated by two great river systems - the Tigris and the Euphrates - which join north of Basra, Iraq's only seaport, 80 miles from the Persian Gulf. About 22,000,000 acres are possibly cultivable areas; a little more than a third is under cultivation. There is a critical need for better irrigation and drainage. Approximately 90 per cent of the world's dates come from Iraq. Other crops are wheat, barley, rice, millet, cotton and tobacco; livestock is one of the major aspects of Iraq's economy. If agricultural production is to increase, modern techniques for farming will have to be introduced to all of Iraq's farming population. There are no forests, and no metallic ores have been discovered which warrant commercial exploitation. There is a thriving cement and brick industry, and there are deposits of bitumen.

Human:

The population, a little more than 5,000,000, 96 per cent Muslim, is overwhelmingly agricultural. An estimated 90 per cent is illiterate. In transition from a tribal society to a nation determined to shape its own destiny, the Iraqi face all the problems accompanying social change against a general background of poverty, disease and illiteracy. The level of income of the average worker in Iraq can only support marginal subsistence. The average city laborer earns about 70¢ a day; the average farm family earns about $98.00 annually in addition to the portion of the crop the family consumes. For most of the people there is no "standard of living"; anything less would be death.

Capital:

Exports of petroleum, barley and dates support a favorable trade balance. Iraq exported in 1951 (besides petroleum) grains, dates, cotton, wool and animal products which amounted to $75,600,000. Petroleum exports were $104,000,000. Petroleum production from the country's large oil reserves totalled 18,000,000 long tons in 1952. Imports were $142,800,000. By law 70 per cent of the oil revenue is at the disposal of an autonomous Development Board which is concerned with large irrigation and water storage works, construction of buildings, and highways.

Transportation routes include 1000 miles of government-owned railways, 6500 miles of highway, of which only a small portion is paved, and smallcraft use the Tigris and Euphrates river system. Iraq needs greatly to improve its transportation and communication system.

II. GENERAL SITUATION

Iraq's social, political and economic situation with exceptions varies little from that of its Middle Eastern neighbors. Poverty, disease and ignorance are the overwhelming burden of most of its people. The great difference between Iraq and its neighbors is that income from petroleum is adequate to start financing any reasonably far-reaching development program desired.

Its population can be likened to a fist with the thumb held upwards. The fist represents the farmers and stockmen, the majority of Iraqis, ground down by ill health, held back by ignorance, unable to do much more than keep alive. The thumb represents the comparatively small "middle class," the white collar workers, and the professional group which is educated, often Western-educated. The thumbnail represents the group which dictates and profits from this social-economic situation, a group composed of tribal leaders or urban absentee landlords.

On domestic matters there are many divisions, none as significant as that just described. A major area of disunity is the religious one between the chief Muslim sects, the Sunnis and the Shi'as, roughly equal in number with Sunnis concentrated more in urban areas. Another area of disunity stems from differences between the Arab majority and its minorities: the Kurds, who constitute about one-fifth of the approximately 5 million population, and the much smaller but influential Christian community.

On foreign matters Iraqi thought is more single-minded. Foreign domination, "disillusionment" with the West, and inability to solve its own problems have led to a political nationalism which concentrates on unity of the Arab world and resistance to what it looks upon as the threat of Western imperialism. A dominant Arab memory is the time of the Arab Empire, the united Arab peoples, the cultural achievements which characterized those times.

After Mongol destruction of the Arab world and the Turkish domination which followed, the Western Powers in the 20th Century steadily began to move in. From 1919 to 1932 Iraq was first under British occupation, then under British mandatory rule. Unable to bridge the social and economic gulfs described above, Iraq with what someone has called a scapegoat psychology seized upon the need to repulse what it viewed as foreign threats as the first requisite to a solution of its internal economic and social problems. The scapegoat approach still holds. It is on the one hand a sincere concern for adjustment of the inequities to which it considers Iraq nationalism and Pan-Arabian have been subjected. On the other it is an unwillingness and an inability to face up to internal problems which in a self-determining state

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must be resolved if there is to be progress.

In recent times there has been a recognition for the need of developmental planning. But activities were isolated, not a part of any general plan, and were impeded by the lack of funds, by opposition of the vested interests to developments which they felt would adversely affect their situation, and by the instability reflected in the rapid changes of governments. In 1913 under Turkish auspices was completed the first great control structure on either the Tigris or Euphrates Rivers, the Hindiya Barrage on the Euphrates. Work on the irrigation plan of which this was a part was continued by the British chiefly with canal development and repair and construction of limited additional transportation and other facilities. During most of the 30's Iraq was in an economic depression which prevented extensive development, and despite the entry of petroleum revenue into the picture, the war and the application of oil revenues to government deficits for the most part prevented further development through 1945.

The first major developmental planning came after the Second World War with a general recognition, for various motives, that action on a wide scale was required for development of Iraq's vast resources and the bettering of living standards of her people. Highlights included a 1945 law authorizing the government to distribute state lands to private owners, in one area; the 1949 report of an Irrigation Development Commission which contained a scheme for the long-range development of water resources; and in 1950 passage of a law setting up an autonomous Development Board to plan and supervise a 5-year program of economic and social development, setting aside for such development all(since reduced to 70%) oil revenues. In 1951 a missionoorganized by the International Bank for Reconstruction and Development, at the request of the Government reviewed Iraq's economic potentials and submitted recommendations for their development.

It is against this background, and into this situation of needed development, that United States technical assistance was invited. The United States of America Operations Mission to Iraq (formerly the Technical Cooperation Administration) was initiated in January 1952.

The program described in the pages which follow, is not the development program of Iraq. Through FOA, the United States is directly concerned with planning and implementation of a general development program. But projects here listed comprise a series of carefully planned segments fitting into the major effort of Iraq itself, and are coordinated with certain assistance received from other sources, such as the United Nations and its member agencies.

No over-all highly articulated development plan has been developed by Iraq. The closest approach is the findings and recommendations of the 1951 IBRD Mission, published in early 1952. An initial 5-year plan prepared by the Development Board centered almost entirely on major capital works; this plan, expanded, was submitted in mid-1953 to the Council of Ministers for Parliament approval. Simultaneously a new Ministry of Development was created by the Government and the Council returned the revised plan to the Board for futher study. A drastically altered plan for the remainder of the 5-year period and possibly longer will have been submitted to Parliament by the spring of 1954 by the Ministry of Development. FOA has aided in shaping this plan.

The general accuracy of the IBRD Mission's appraisal of the development potential, and its recommendations for action

thereon has been confirmed by analyses of the USA Operations Mission to Iraq. There have been, naturally, various adjustments and elaborations. Generally, by Iraq, the IBRD report has been taken as more or less of a working blueprint. The program and projects which follow were developed jointly with Iraq on this basis, and represent those points at which it was felt the US could make its most meaningful contribution.

III. THE PROGRAM

General Plan and Objectives

FOA/Iraq will continue in FY 1955 its efforts to achieve integrated, long-range planning for the economic development of Iraq. It will allot significant blocks of assistance to strengthening on-going programs carried by existing agencies and will serve to strengthen and thus stabilize those agencies.

In planning and prosecuting the program, the following landmarks have been followed to the greatest possible degree:

1. Activities are focused at three major points (with the approximate percentage of FOA technicians indicated in parentheses).

   A. Top governmental levels where over-all developmental planning and implementation takes place (10%). Provision of a US (irrigation) member of the Development Board and of certain other technicians are examples.

   B. At the operational level within the several ministries, where it is so essential to institutionalize new programs and develop skilled personnel to carry them forward (30%). Examples are the range management and hospital facilities work.

   C. At the grass roots level, where projects are based on day to day work with the average Iraqi - the farmers and herdsmen who live chiefly in villages (50%). Examples are the agricultural extension service, the village live improvement projects, the Miri Sirf (land settlement) projects, the maternal and child health project and the public health demonstration project.

2. In view of the adequacy of Iraq's financial resources, emphasis is placed on guiding Iraq in the wise use of its funds. The use of US funds is kept at the lowest minimum possible.

3. Since its inception FOA has laid stress on the use of private and semi-private US organizations to assist in carrying out the US assistance program. This emphasis will be continuously broadened.

In FY 54 FOA/Iraq has contracts with four such organizations ranging froma state university to a construction firm. Some 20% of FOA/Iraq's technical staff is furnished under these contracts. FOA/Iraq not only has encouraged private US groups to contribute to additional activities in Iraq and has helped them to seek private support therefor, but has worked with the few private Iraqi organizations to the same end and to the establishment of direct cooperative relationships with similar US groups.

4. A major continuing landmark governing the Mission's activities has been and continues increasingly to be the conviction that the long-term economic health and political and social stability of Iraq requires an expanding trade between it and other nations, and that one of the major contributions to this situation will come from expanding opportunities for private investment of both indigenous and foreign capital.

5. As important as any other landmark, and somewhat

overlapping the others, is the one which can be called simply "balance." FOA helping in planning and guiding the over-all program, assisting at various levels on its implementation, is therefore supplemented by a constant vigilance in helping keep developmental factors in workable balance, taking into account the sum total of programs of all developmental agencies.

Primary program emphasis is on the development of agriculture, as is true in almost every undeveloped country. Water resources development for flood water storage, emphasis on activities to raise agricultural production, drainage, use of water, better methods of production, credit, more effective use of manpower - these are all stressed. Complementary stress is put on settlement of newly cultivable lands, on steps to insure that these lands go to those who need them. In health FOA stress is on preventive work because Iraq action has been chiefly on curative activities; FOA stresses development of doctors and nurses because Iraq has built hospitals but made few provisions for staffing them. In education FOA stress is on rural and vocational and technical education because these are the neglected fields, the ones most significant for long-range development.

While agriculture, health and education receive major emphasis this is not to the exclusion of other areas. An excellent example is public administration. Effective public administration is essential to sound development. Iraq is typical of underdeveloped countries in having an over-expanded, underpaid, poorly trained and organized public administration. FOA's work in this area is not broad, nor indeed has it yet been unusually successful. But concentration on assistance in revision of over-all fiscal and budgetary administration, on organizational relationships between ministries and the Development Board, on organizational structure of the ministries themselves, on review and adjustment of fiscal policy, on matters mentioned elsewhere such as customs administration and tariff, and tax reform, illustrates the practice of picking out and emphasizing a limited number of highly significant foci.

The social and economic development of Iraq, with all its resources, is going slowly, not in comparison with its neighbors, but in respect to the ferment which exists in the whole Middle East. It is slow because of factors cited above - vested interests, the heavy hand of tradition, the unwillingness to face up to problems.

Last but not least Iraq, on the northern perimeter of nations near to Russia, does not fear Communism, but it fears the Western Powers less. Its attitude toward the United States, formerly one of warm friendship, since the Palestine issue has been one of mistrust and suspicion. More than any other channel open to the U.S., technical assistance and guidance through FOA can, and to some extent, has already helped demonstrate U.S. sincerity in helping to build a better world in which men may live in peace.

Chronology of Agreements

General Agreement - April 10, 1951

PROGRAM AGREEMENTS:

Agricultural Development	March 18, 1952
Educational Development	May 21, 1952
Public Works	May 21, 1952
Public Health and Sanitation	July 27, 1952
Industrial Development	May 21, 1952
Water Resources Development	May 21, 1952
Amendment to the General Agreement	February 21, 1952
Development Board (Reimbursable Staffing)	December 2, 1952
Social Welfare Services	August 18, 1952

PROJECT ARRANGEMENTS:

Maternal & Child Health Demonstration & Training	February 17, 1953
Advisor to the Ministry of Economics	March 24, 1953
Irrigation Design and Construction	May 24, 1953
Public Health Demonstration & Training	March 25, 1953
Hospital Facilities	April 1, 1953
Village Life Improvement	March 23, 1953
Highways	June 29, 1953
Advisor to the Ministry of Social Affairs	March 26, 1953
Irrigation and Drainage Laboratory	June 2, 1953
Tobacco	July 9, 1953
Environmental Sanitation	May 14, 1953
Locust Control	May 10, 1953
Range Management	August 8, 1953
Advisor to the Ministry of Finance	May 31, 1953
Advisor to the Industrial Bank	May 25, 1953
Agricultural Extension	July 9, 1953
Livestock Improvement	July 1, 1953
Amendment to the Village Life Improvement Program	May 25, 1953
Amendments to the Public Health & Maternal & Child Health and Hospital Facilities Arrangements	July 4, 1953
Technical Institute and Amendment	June 7, 1953
Abu Ghraib Agricultural College	August 12, 1953
Crop Improvement	July 30, 1953

Financing and Organization

Oil Revenues in Iraq are increasing and 70% of this income is earmarked for economic development to the Development Board, an autonomous organization. Using U.S. technical Assistance, the Board has laid out a broad program for the development of Iraq, emphasizing capital works - irrigation, drainage, highways and projects of the construction type.

In FY 1953 the Iraq contribution to projects in which FOA furnished technical assistance was more than $34,000,000. In FY 1954 it is estimated that the country contribution will be more than $50,000,000, and it is expected in FY 1955 that this amount will again be increased.

Organizationally, the FOA Mission to Iraq works intimately with the ministries. For more than 25 years the Iraq Government, first when it was mandated to the United Kingdom and later when it became independent, employed advisors for key posts in various branches of the government. With the coming of FOA the traditional method of advising was followed and in a measure still obtains.

During FY 1954, it is expected that FOA/Iraq will have completed several Cooperative Service agreements with various ministries. The Cooperative Service as a planning and operational device is becoming more and more acceptable to the Iraq Government, transplanting the traditional method of employing advisors who work in the ministries.

Relation to Other U.S. Programs

In Iraq close relationships exist between USIS and FOA. In the dissemination of information, the preparation and distribution of reports, and the exchange of persons there is unusually excellent cooperation. Regarding the latter, FOA has been instrumental in forming an Iraq Training Council which serves as a clearing house for exchange of persons programs. Overlapping and duplication are at a minimum.

FOA has collaborated closely with the United Nations technical agencies in planning and operating programs. FOA has also enjoyed effective association with the Department of Technical Assistance in the Iraq Government. The close day by day, working relationships

COUNTRY IRAQ

TABLE VII

APPROPRIATION FY 1955

OBLIGATIONS BY ACTIVITY AND COST FACTORS
Fiscal Year 1953, 1954 and 1955
(Thousands of Dollars)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
Agriculture and Natural Resources						
1953	487	79	382	5	21	5
1954	832	97	671	9	37	27
1955	872	27	792	5	21	32
Health and Sanitation						
1953	236	34	109	16	63	30
1954	366	104	196	15	60	6
1955	373	48	238	18	70	17
Education						
1953	353	25	312	3	15	1
1954	359	100	225	2	5	29
1955	435	66	309	4	18	42
Transportation and Communications						
1953	256	4	243	2	9	-
1954	186	10	75	4	16	85
1955	180	-	180	-	-	-
Industry and Mining						
1953	15	-	5	3	10	-
1954	24	-	24	-	-	-
1955	25	-	25	-	-	-
Public Administration						
1953	13	-	9	1	4	-
1954	33	-	33	-	-	-
1955	60	-	60	-	-	-

IRAQ (Continued)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
General and Community Development						
1953	381	140	216	1	5	20
1954	394	40	247	4	16	91
1955	397	46	318	4	16	17
Totals						
1953	1741	282	1276	31	127	56
1954	2194	351	1471	34	134	238
1955	2342	187	1922	31	125	108

Memorandum	Contractual Services	Joint Funds
1953		
University of Arizona for Agriculture	155	
Bradley University for Education	250	
Edwards, Kelcy, and Beck (Civil Engineers) for Transportation	186	
International Voluntary Services, Inc. for village life improvement	140	
Total	731	—
1954 (Estimate)		
University of Arizona	125	
Bradley University	150	
Edwards, Kelcy, and Beck	170	
International Voluntary Services, Inc.	140	
Total	585	400
1955 (Estimate)		
University of Arizona	125	
Bradley University	150	
Edwards, Kelcy and Beck	170	
International Voluntary Services, Inc.	140	
Total	585	400

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between FOA and the ministries are sound and are paying dividends in the planning of over-all programs and in developing meaningful requests for assistance.

FUNCTIONAL PROGRAMS

AGRICULTURE AND NATURAL RESOURCES

Total U.S. Cost - $857,000
No. of U.S. Technicians - 47
No. of Training Awards - 5
Host Country Contribution - $1,829,000

Objectives: FOA objectives for agriculture in Iraq are to assist the country to produce more food by a program of training and technical assistance concentrating on such specific undertakings as expanding and strengthening the new agricultural extension service, guiding and training in significant fields of agricultural research and developing action programs for crop and livestock improvement, as well as improving efficiency in handling and marketing farm products.

Linked closely with agriculture in a country where irrigation is essential is the work of the Directorate of Irrigation. FOA's objectives in this field are to assist the Iraq Government (Ministry of Development, Directorate of Irrigation and Miri Sirf Land Development Committee) in building flood control and water storage works, in reclaiming land for farming, in draining swamps and irrigated land for health purposes and agricultural usages, and in channeling large national resources involving more than $30,000,000 into useful projects.

Problems in the Field of Activity: In both agriculture and natural resources the problem is lack of trained people plus ingrained traditional and inefficient methods.

Two big problems fact Iraq and FOA: 1) lack of trained personnel to cope with the tasks ahead, and 2) the dead hand of tradition. Practices of centuries in agriculture and irrigation design and use are imbedded so that new ideas and a modern approach are not readily adopted.

Existing Governmental or Other Programs: The ministry of Agriculture was founded in 1952, and although new has made rapid progress. Both the Ministry of Agriculture and the Directorate of Irrigation have sufficient funds, but both need trained staffs.

Through the Ministry of Development large dams and extensive irrigation schemes will be handled by contracting the work to foreign consulting firms. FOA engineers are essential to assist in the planning. Through the Directorate of Irrigation, consistent with staff and ability, irrigation and drainage projects are planned and constructed with funds furnished by the Development Board. The design and construction of navigation locks and irrigation projects are under way and additional ones are to be carried out. Through

the Miri Sirf Land Development Committee the farmers are given homestead lands and get water from an internal project system of canals or from wells which are controlled by the Committee.

Activities Description

Agriculture Extension - $125,000

Agricultural extension will continue to expand and strengthen Iraqi agricultural extension services. In addition to continuing the cooperative work in three states (liwas) the 4 U.S. agricultural extension agents will conduct at quarterly intervals a training program for Iraqi extension agents in general extension work, horticulture, care of sheep, handling of wool.

Agriculture Research - $140,000

In agricultural research on cotton, livestock, sugar beet, forage production, range improvement and tobacco improvement, work will continue in FY 1955. A number of Iraqi counterparts have been revealed as promising research specialists, and are expected to be used increasingly. Seed multiplication in cotton has been successful; sugar beets can be raised in Iraq; forage production will increase; a new Division of Grazing in the Ministry of Agriculture will be in full operation. there is a huge program for tobacco improvement with funds already allocated by the Govt.

Agriculture Education - $135,000

With the assistance of the University of Arizona agricultural education at the single agricultural college in Iraq is moving ahead in FY 1954. There will be a continuation of the program to improve the curriculum so that the sole source in Iraq of training agriculturalists will turn out professionally trained men.

Progress to Date

The first itemized budget for agriculture was passed by Parliament for FY 54. The regular budget has been supplemented by a I.D. 1,600,000 grant (I.D. - $2.80) from the Development Board. The U.S. extension agents have conducted their second summer training program in which all the liwa (state) agriculture officers participated. A new Division of Grazing has been established. Locust and pest control activities continued. A new course in extension will be added to the curriculum at the agricultural college.

The program of demonstration and experimentation has gone forward, research having been initiated on cotton varieties, sugar beets, tobacco and the processing of cereals. FY 53 work in cotton research showed that four times more cotton can be grown per acre than was grown before if improved agricultural methods are used. Demonstrations on forage crops and silage have been highly successful.

Four technicians under contract with the University of Arizona have assisted in the development of curriculum at the agricultural college. Organized 3 years ago, the college has an enrollment of 90 students. In June, 1953, the first class of 20 college-trained agriculturists was graduated.

Agriculture Credit - $36,000

A program of supervised agricultural credit is being launched, and will be continued in FY 55. Capital supplied by the Agricultural Bank will be used in one of the resettlement communities to demonstrate supervised credit for tenants. Notable among the provisions in this program is the reasonable interest rate to be used.

New project.

Engineering Services (Ministry of Development) - $125,000

By bringing to eight the number of engineers assigned to the Ministry of Development, the complement there will continue at a faster pace the work on design and construction of the flood control works, the dams, and the large irrigation projects. The Iraq Government has funds for the projects, but the trained engineers are not available. FOA/Iraq can within a few years make a permanent contribution, with a top U.S. reclamation official as a member of the Development Board aided by skilled engineers to aid in planning, to aid in construction and to investigate possibilities of hydro-electric power.

Consultation underway. Contracts being negotiated.

Engineering Services (Directorate of Irrigation) - $125,000

The six U.S. Engineers assigned to the Directorate of Irrigation have a huge task and an excellent opportunity to train approximately 30 Iraq engineers in modern irrigation and water use practices. The Directorate has been assigned and is working on projects involving $1,200,000 and during FY 54 an additional $5,000,000 will be spent contractually on small projects. Large-scale projects to be handled by the Directorate of Irrigation will involve another $25,000,000. Contracts for irrigation and drainage work have been let for the 17,000-acre settlement project at Latafiya and for the 250,000-acre project at Mussayib; both of these are Government-owned land which will be homesteaded. Work of

At Mussayib modern techniques are at work. Supplanting the traditional method of allowing 50 per cent of the land to lie unused about half the year, the FOA engineers have designed and are supervising the construction of an irrigation and drainage system so that the land can be used on a 12-month basis. This feature means more food, higher cash incomes to farmers and fewer deaths of cattle due to malnutrition.

The FOA Miri Sirf experts also collaborated on Mussayib, which is as yet not settled. Plans for it include the massing of FOA power with the transportation men working on roads and bridges, with education technicians assisting with schools and with health personnel working on preventive medicine, safe water supply. Here is the cooperative effort

this type in additional areas will be carried forward in FY 55.

Irrigation and Drainage Laboratory - $36,000

The Irrigation and Drainage Laboratory has been in partial operation. By the end of FY 1954 the obstacles which have prevented full operation shall have been overcome. By the beginning of the school year in October, 1954, the laboratory will be equipped and staffed to handle a teaching program and to provide laboratory services to outside departments such as the Directorate of Irrigation and the Miri Sirf Program. It is expected that operations will be turned over to the College of Engineering by the end of FY 55.

Reclamation Engineering (MSLD) - $75,000

Land classification, Housing Engineering and Cadastral Engineering are being carried on as service to the Rosettlement Program of the Iraq Government.

General (Training grants - local expense - program direction)-$75,000

There are five training grants proposed for fiscal year 1955. Program direction includes the Chief agriculturist and secretary plus local expense and the pro-rate share of office expense estimated to be $15,000.

of FOA, working through the Ministries in a demonstration of how collaboration works.

Training program in process

Mapping and design underway.

Four grants planned for FY 1954

HEALTH AND SANITATION

Total U.S. Cost - $373,000
No. of U.S. Technicians-19
No. of Training awards- 18
Host Country Contribution - $240,000

Objectives: To continue to raise the health standards of the people of Iraq by strengthening the Ministry of Health at the national level, to demonstrate within one political unit the type of public health organization that is needed, to expand and improve facilities for

[redacted]

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training of health personnel, and to provide expert guidance for the hospital and health center construction program, are FOA's objectives.

Problems in the Field of Activity: Lack of trained personnel, only one doctor for every 7000 people, widespread incidence of malaria, and such endemic diseases as trachoma, hookworm, bilharzia and the dysenteries are some of the problems to be faced. Many of the prevailing diseases are the by-productsof polluted water and unsanitary congested living conditions.

Existing Government and Other Programs: In choosing particular aspects of preventive medicine and public health FOA is guided by the fact that WHO is assisting Iraq in combatting malaria and tuberculosis. The Iraq Government's program is limited, the Ministry of Health having become a Ministry in recent years, formerly being only a division in the Ministry of Social Affairs.

The Division of Health and Sanitation working in close collaboration with the Ministry of Health has placed officers in strategic places in the Ministry &has been operating training activities in centers such as Samawa and Basra.

Major Activities in FY 1955	Progress to Date
Maternal and Child Health Demonstration - $75,000	
Maternal and child health demonstration and training at the Samawa center, organized and equipped to train midwives and nurses, serves as a model for the extension of similar services throughout Iraq.	The planning, initiation of the Maternal and Child Health Demonstration center at Samawa was completed in FY 53, and a full blown program is going on with U.S. and Iraqi physicians, nurses and technicians working shoulder to shoulder. At Basra the training of nurses goes forward. During the remainder of calendar year 1953, the complement for the Health Demonstration Project will be filled.
Public Health Demonstration and Training - $75,000	
Public Health demonstration and training has been started in Basra and there will soon be organized a provincial health department comparable to county health departments in the United States. This organization will serve as a center for the training of personnel for use in such departments.	One nurse instituted nurse's training program, pending arrival complete team technicians.
Environmental Sanitation - $50,000	
Under the program of environmental sanitation a new Division of Environmental Sanitation is to be organized in the Ministry of Health	Sanitary engineer has just arrived.

to promote, coordinate and direct sanitary engineering, sanitation, and vector control activities. A significant activity under this project will be FOA assistance to large cities in advising the municipalities on sewage system plans. No sewage system now exists in any city in Iraq.

Hospital Construction and Administration - $75,000

Following completion of a survey, now in progress, of existing hospitals and health centers, an over-all plan for new construction will be made. Training Programs in administration also will be initiated.

A hospital architect and a hospital consultant have been assigned to the Ministry and have begun their survey of the hospital facilities, and are reviewing drawings and specifications of proposed health facilities.

General (Training Grants-Local Expense-Program Direction) - $98,000

There are eighteen training grants requested for this vital field of Health and Sanitation, the total cost being $70,000. In addition the Chief of the Division and his secretary, along with pro-rata share of Local expenses is included.

11 Training Grants planned for FY 1954

EDUCATION

Total U.S. Cost - $435,000
No. of U.S. Technicians - 16
No. of Training Awards - 4
Host Country Contribution - $600,000

Objectives: FOA's objectives in the field of education are to continue to train more skilled craftsmen by assisting the Ministry of Education in developing a modern technical institute; to assist in the training of teachers for the primary schools; to continue guidance for the development of a home economics department at the college for girls; and to provide assistance through the use of audio-visual aids.

Problems in the Field of Activity: Low regard for work makes vocational education unattractive. Inadequate pay for teachers does not attract the best quality personnel. There is an appalling lack of trained workers and craftsmen.

Existing Governmental or Other Programs: There is increasing awareness in the Ministry of Education of the importance of vocational training.

[redacted]

Through UNESCO and the Fulbright Program specialists and instructors are furnished in fundamental education, teacher training, and instruction in English at the secondary level.

Major Activities in FY 1955	Progress to Date
Vocational Education - $90,000	
American technicians will continue as advisers to the present vocational schools in Kirkuk, Basra and Baghdad. One U.S. teacher is assigned to the Primary Teacher Training College at Baquba and another in home economics to the girls' college in Baghdad.	The impact of three vocational teachers has led the Ministry to work with FOA in building a modern Technical Institute in Baghdad. Under FOA guidance a textbook in Arabic on "Machine Shop Practices" have been produced, a simple spring-toothed harrow and land levelling equipment were made in the technical schools. Texts for vocational agriculture, done by Iraqis with FOA guidance, have been completed. The bus company hired the entire group (5) of auto mechanics who graduated in June, 1953, in Baghdad. Other industries eagerly employed the remainder of the graduates.
American Technical Institute - $175,000	
The development of the American Technical Institute is one of the outstanding undertakings in the field of Vocational Education in Iraq. Under a a contract with Bradley University this school is developing into a high grade training institution in the Middle East. Skilled technicians are being developed along with an in-service training program with many local industrialists being interested.	Institute being activated in Fall 1953. U.S. team planning building, equipment, layouts, and supervising ordering and installation of equipment. Curriculum being planned and in-service training of Iraqi instructional staff being carried out in existing building. Iraq Government providing land, building and major part of equipment.
Rural Education - $35,000	
A rural education program will get under way with two rural education and teacher training specialists requested. The program will assist in development of qualified and adequate elementary rural schools under direction of the Ministry of Education.	Technicians being recruited.
Audio-Visual Aids Unit - $65,000	
The audio-visual aids unit, working closely with USIS, will	New project in FY 54.

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provide materials on health, education, agriculture which will reach the people of Iraq. This is one of the most important units in the field of Education be it in Agriculture, Health, etc., because 95% of the people of Iraq are illiterate and new methods of communication must be and are being developed.

General (Training Grants-~~Local~~ Expense-Program Direction) - $70,000

There are four training awards proposed for fiscal year 1955. Also the Education Chief and Secretary and a pro-rata share of the ~~local~~ expense is included.

4 grants planned in 1954

TRANSPORTATION AND COMMUNICATIONS

Total U.S. Cost - $180,000
No. of U.S. Technicians-5
No. of Training Awards -0
Host Country Contribution-
$1,000,000

Objectives: The objective of FOA is to supply the Iraq Government with technical guidance in the construction of 2000 miles of main surfaced highways and 5000 miles of secondary feeder roads. FOA will also assist the Public Works Department in demonstrating bridge and other structural design, and testing road and bridge material. An additional objective is to help build a competent highway organization for construction and maintenance.

Problems in the Field of Activity: The chief problem in building roads in Iraq is the lack of trained engineers. Up to the coming of FOA in Iraq all of the road construction was based upon windshield and speedometer surveys. During 1953 and 1954, this inaccuracy was replaced and FOA engineers have trained draftsmen and a corps of engineers who can now make plans and profiles of roads, culverts and bridges.

Existing Government Programs: Through funds made available by the Development Board an ambitious road building program has been started. Actually allotted for surveys and plans for the ambitious highway program are I.D. 1,354,625 ($2.80 - I.D.). For the construction of the roads for which surveys have been completed and for which surveys are under way an estimated $15,000,000 will be allotted.

The following roads have been surveyed and let to tender:

Construction of Aqra-Zinta-Bakhma, 30 kms.

[redacted]

Construction of cut-off to Dokan dam site, 40 kms.
Construction of a detour road around Dokan dam site
Construction of Jalawala-Derbendi-Khan road
Embankment in Baghdad-Baiji-Sharqat-Mosul Road
Paving 1.4 kms. Baghdad-Ramadi road near Sutaih
Culverts in Ramadi-Hit-Ana road
Construction of an earth road from Hilla to Karbala, 41 kms.

The following are being surveyed and will be let to tender within the 1953 calendar year:

Construction of Shaqlawa-Nazanin-Iran, 30 kms.
Improvement of Baquba-Balad Ruz-Mandali road, 10 kms.
Baghdad-Hilla road
Improvement of Baghdad-Ramadi-Jordan road, 110 kms.
Basra-Amara road, 195 kms.

Major Activities in FY 1955

Progress to Date

Department of Public Works Development - $150,000

The FOA team of five highway engineers on contract with Edwards, Kelcey and Beck of New Jersey has been working with the Public Works Department where counterparts have been provided. Country-wide programs are carried on by 3 of the 5 highway specialists. The chief engineer advises the Director General of Public Works who has divided the country into ten district offices with district engineers in charge of the divisions.

Training engineers, establishing a drafting room, creating a highway laboratory — these are the ways FOA is assisting Iraq to meet its needs.

The highway between Kut and Baghdad is essentially complete. The highway engineers also gave guidance and assistance on 7 mountain access roads such as those into proposed storage dams. During the summer of 1953 they started on surveys, plans and preparation of specifications for the road from Baghdad to the Jordan border.

Establishment and Supervision Roads Laboratory - $30,000

One Roads Laboratory technician is engaged in developing a modern testing laboratory for the Department of Public Works. He is training Iraqi counterparts in proper operation and scientific testing methods.

Equipment for laboratory arriving and being installed. Iraq technicians being assigned for training. Pending arrival of equipment, training courses conducted for all civil engineers in Highway Department.

INDUSTRY AND MINING

Total U.S. Cost - $25,000
No. of U.S. Technicians-2
No. of Training Awards -0
Host Country Contribution - 0

Objectives: The objective of FOA/Iraq is to assist the Iraq Government in developing its industry and mining, and in creating an investment climate which will attract capital for additional industries.

Major Activities in FY 1955

Progress to Date

Industrial Analysis and Consultation - $25,000

In FY 1955, the Adviser to the Ministry of Economics and the industrial specialist assigned to the Development Board will be brought together in a new FOA division of economic analyses and trade development.

These specialists will continue their FY 1954 program of analyzing and coordinating the industrial and economic development of Iraq.

During FY 1953 and 54, two U.S. consultants were in Iraq, one at the Development Board, the other at the Industrial Bank. Great progress has been made in compiling basic data on resources for potential industry and investors. Steps have been taken to coordinate local development proposals with Iraq Government development plants which among others include those for cement, bitumen, beet sugar, sulphur, fertilizer. Additional studies have been made and presented to the Industrial Bank related to small industries in Iraq.

PUBLIC ADMINISTRATION
Total U.S. Cost - $60,000
No. of U.S. Technicians - 4
No. of Training Awards - 0
Host Country Contribution -0

Objectives: FOA objectives are to advise the Iraq Government in methods and organization for the development of competent government administration.

Problems in the Field of Activity: The impact of oil revenues, the increase in trade, the development of small industries create a need for advice and analyses of the economic and industrial problems of Iraq. An experienced consultant is needed also in social affairs and another in customs and tariff.

Existing Governmental or other Programs: The United Nations Technical Assistance Administration proposed to Iraq in FY 53 the establishment of a training center for public administration, but there have been no developments. There is one adviser from the United Kingdom on labor problems and one ILO consultant in Iraq.

Local Organization: U.S. technicians will be assigned to the appropriate ministries to work, for the most part with the Ministers themselves and their immediate permanent Directors General.

Major Activities in FY 1955

Advisors in Economic, Social Affairs and Tariff - $60,000

FOA will assign in FY 54 a top level economist to the Ministry of Economics to analyze the entire economic problem of Iraq, present and future, and recommend action to be taken by the government, including legislation, and to help organize a new Department of Industry in the Ministry of Economics.

Also in FY 54 FOA will assign to the Ministry of Social Affairs an experienced consultant to work directly with the Minister and the Directors General in planning the organization of the Ministry.

FOA will follow up in FY 54 the recommendations made in [redacted]

Progress to Date

Short-term consultants in tariff and customs determined needs and types of personnel required for work in these fields. Technicians being recruited.

FY 53 on customs and tariff. An expert in this field will be assigned to the Ministry of Finance to complete the preliminary analysis, and to assist in drafting legislation. These activities will continue in FY 1955.

GENERAL AND COMMUNITY DEVELOPMENT

Total U.S. Cost - $397,000
No. of U.S. Technicians - 22
No. of Training Awards - 4
Host Country Contribution - $271,000

This field comprises four activities, which are treated as distinct programs:

Miri Sirf Land Settlement	$168,000
Village Life Improvement	175,000
Development Board	24,000
General Program	30,000

Miri Sirf Land Settlement

Objectives: The objective of FOA is to assist the Iraq Government in carrying out effectively its reclamation and resettlement program.

Problems in the Field of Activity: The problem is to settle landless peasants who have lived as sharecroppers on the lands of sheikhs or absentee landlords. For the most part illiterate, certainly poverty-stricken, these new homesteaders need guidance and help.

Existing Government and Other Programs: A bold law for settling Government-owned land (Miri Sirf) was passed in 1945, a committee has been established, some land distributed and settled. A team provided by UNESCO has been at work on one of the 5 resettlement projects.

Means of Resolution: The Iraq Committee, supplemented by the skilled U.S. technicians can carry forward this resettlement project. FOA technicians are training counterparts as rapidly as possible.

Local Organization: Within the Ministry of Agriculture the Miri Sirf Land Development Committee has been established. Funds for the resettlement program come from the regular budget of the Iraq Government and are supplemented by grants from the Development Board.

Major Activities in FY 1955

The work of the U.S. technicians, as they approach this problem, is divided into two major parts: one is preparing the land, establishing sizes of farms, getting water to the land; planning villages; second is the work with the people, such as crop rotation, supervising credit, working on storage and marketing problems. Other divisions of FOA also make available the skills of technicians in health, education, welfare to the settlers.

Progress to Date

A complete village has been planned in Northern Iraq; another is nearing completion in the south; cadastral surveys have been completed; land has been classified and farm patterns established; a supervised credit program has been planned and during FY 1954 will go into operation.

There are 19,000,000 acres available for the 2 to 3 million down-trodden village dwellers. Distribution, based upon studies, is going on.

Village Life Improvement

Objectives: The objectives of FOA are to complement the work of the land settlement program and to improve the lot of the village dwellers who do not own their land, by bettering health conditions, introducing modern agricultural techniques, establishing schools, and improving landlord-tenant relationships.

Problems in the Field of Activity: The problem is a morass of abject poverty, ignorance, ill health, and insecurity in which about one half of the population of Iraq is now entrapped.

Existing Governmental or other Programs: The Iraq Government has undertaken a program to alleviate the lot of the villagers. The only other agency at work with the village dwellers is the UNESCO team working on fundamental education.

Means of Resolution: FOA proposes to train a corps of rural affairs officers who will then train others through practical demonstration.

Local Organization: At first through the Ministry of Social Affairs the work will begin, but as the program develops the Ministries of Health, Education, Agriculture and various other departments and directorates will be drawn into the activities.

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Major Activities in FY 1953

The training of rural affairs officers will be done in pilot demonstration projects, one in the north and one in the south of Iraq. Following the training period the Iraqi officers will be assigned to villages under regional supervision to teach and demonstrate improved practicesin irrigation and agriculture, home and small community industries, improved house construction and village planning, sanitation, hygiene, child care and home making.

At first the work will be done in villages where the villagers own their land and later in villages where the feudal system of land tenure obtains.

Progress to Date

A U. S. rural improvement expert was provided to the Ministry of Social Affairs in FY 53 to study the problem and assist in devising a plan to help the villagers of Iraq.

Development Board

Objectives: The objectives of FOA are to assist the Development Board in making plans for large-scale improvements in irrigation, water storage, power, highway construction, industrial development.

Problems in the Field of Activity: The problem at the Board is the lack of trained personnel who can isolate needs, analyze proposals as to their suitability, plan large construction projects, develop over-all programs which will lead to the economic development of Iraq.

Existing Government or Other Programs: The newly created Ministry of Development which includes the Development Board has undertaken a program which will be subsidized by revenue from oil. For the period ending in1956 it is estimated that this amount will be approximately $700,000,000 with income rising each year to an estimated total of $140,000,000 for the year 1956-57.

Means of Resolution: The Development Board itself is moving ahead on many projects and FOA will supply technical personnel to assist in meeting the problems.

Local Organization: The Development Board is to provide for coordination and continuity in planning and execution of development programs. It has reserved for itself the large-scale projects in irrigation, water storage, bridge building and has allotted to the several ministries the smaller scale projects, such as the building of hospitals and schools, certain projects in agriculture and highway construction.

[redacted]

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Major Activities in FY 1955

Progress to Date

FOA has presently assigned to the Development Board a U.S. member, an experienced reclamation engineer, and as Chief of the Irrigation Division another U.S. Engineer. Also at work at the Board are a U.S. specialist in industrial development and an agriculturist.

Reflected under natural resources are 8 additional specialists who will take up their assignmentsin FY 54.

Among the various large-scale projects the Bekhme Dam will be the highest buttress dam in the world. FOA/Iraq engineers at the Development Board are working on the specifications.

It should be pointed out that the agreement with the Board provides that all technicans are supplied to the Board on a reimbursable basis.

General Program

This includes the procurement officer, information officer and one clerk-stenographer.

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[redacted]

ISRAEL

Total U.S. Cost - $1,610,000
No. of U.S. Technicians - 95
No. of Training Awards - 57

ISRAEL

I. RESOURCES AND NEEDS OF ISRAEL

Natural:

Israel is located on the southeastern shore of the Mediterranean Sea, extending from Lebanon on the north; Syria, Transjordan, and the Dead Sea on the east; and Egypt on the southwest; with an area extending approximately 6.5 miles on the Bay of Aqaba. The area along the Mediterranean between Tel Aviv and Caesarea is quite narrow and in parts is less than 10 miles wide. The total area is estimated at 7,800 square miles, of which an estimated 60% lies in the Negev. An estimated 2,340 square miles are arable, and the remainder is desert land and barren hills. Of the arable land, approximately 915,00 acres are under cultivation, of which approximately 145,000 acres are under irrigation, and an additional 500,000 acres consist of range or potential range land.

Underground water supplies most of the potable water and irrigation requirements. Development plans call of extensive utilization of Israel's two principal rivers, the River Jordan and the Yarkon River and for the construction of earth dams to retain run-off waters and to replenish the water table in an effort to avoid depletion or salinity. Virtually no rain falls in Israel between the months of April and November.

The chief crops grown in Israel are citrus and other fruits, vegetables, fodder crops, wheat, olives and tobacco. Increasing emphasis is now being given to the development of industrial crops. The citrus fruits consitute the principal export of the country. The remaining crop production is sufficient at the present time to cover only about 30% of the food requirements of the country, whose dietary level is substantially below that of most of the Western countries.

The mineral resources consist of potash, and other salts, which can be derived from the Dead Sea; phosphate rock; limestone; gypsum, glass sands; and ceramic clays; which may be economically produced. In addition, there are deposits of copper, iron, manganese, and peat which are being surveyed and evaluated but which are not yet being exploited. There are geologic structures which may indicate oil reserves, but no oil has been produced thus far.

[redacted]

Another resource, which has substantial potentialities but which at present, is not being exploited to the fullest extent, is the location in the country of many sites which are held in veneration by Christians, Jews, and Moslems. Peace in the area will greatly increase Israel's capacity to attract tourists.

Human:

The population as of July, 1953, was estimated at 1,650,000, of which approximately 1,468,000 are Jewish and the remainder non-Jewish, mostly Moslem and Christian Arabs. Approximately 77% of the population is urban, living in the area from Beersheba to the north. The population density in the area, which excludes the desert area to the south, is approximately .8 persons per acre.

The percentage of literacy of the people is estimated at 85% which is far in excess of that of the surrounding countries. The school system is being reorganized, and it is expected that the percentage of literacy will be substantially increased and the level of education will be higher.

The health conditions of the country are generally good. In addition to the State-owned hospital and clinic facilities and in addition to the care provided by the State, there are a number of private hospitals, clinics, and medical services offered by the Histadrut (General Federation of Labor Israel), and other private organizations. However, sickness rates for certain diseases amenable to sanitary measures are many times higher than in the United States. For example, the rate for new malaria infections was (in 1951) 33 times that of the U.S.; for vacillary dysentery, 41 times; for amoebic dysentery, 50 times; for typhoid and paratyphoid, 55 times; and for endemic rat-flea-borne tyhpus, 120 times. Faced with the immediate task of providing curative services for the hugh influx of sick immigrants, the authorities could give lit le attention to disease prevention. The average daily per capita food intake is about 2,600 calories, which consists largely of starches and is short on animal fats and proteins.

While no occupational census has been taken, the estimated occupational distribution is as follows:

Gainfully Employed Persons (in thousands) in Israel, mid 1951

	Number	%
Total	505	100
Agriculture	70	13.9
Mining	(1)	
Manufacturing (Industry and Handicrafts)	119	23.6
Construction and Public Works	48	9.5
Transportation and Communication	35	6.9
Commerce and Finance	85	16.8
Professional	40	7.9
Services	108 (2)	21.4

The population is primarily lower middle class. More than ½ of the present population migrated to Israel since the formation of the State more than five years ago, and many of these immigrants were unable to bring with them such capital as they may have accumlated.

Capital:

The national income of 1952 was estimated at approximately

(1) Israel mining less than one year old (Negev phosphates and copper now being mined, and Dead Sea minerals, the exploitation of which is to be resumed this year.

(2) Including 58 (58,000 persons) in public services (11.5%)

IL 775,000,000. The major sources of this income are manfacturing, construction, and agriculture. However, the total resources available to the economy have been much larger than the national income would indicate because of import surplus resulting from the substantial amounts of Grant-in-Aid from the United States, large contributions from World Jewry, German Reparations, the sale of bonds payable in foreign currencies, Export-Import Bank and other bank loans, and private investment capital. This surplus has made possible the devotion of substantial amounts to capital expansion.

The budget estimate for the FY's 53-54, which commenced on April 1, 1953, includes IL 216,000,000 in the ordinary budget plus the Development Budget of IL 145,000,000. The principal sources of revenue for the ordinary budget are the income tax and various customs and excise taxes. The Development Budget is financed largely by the Israel pound counterpart of contributions from Jewish agencies, U.S. Grant-in-Aid, and German Reparations. The ordinary budget supports the various departments of the Government including defense expenditures. The Development Budget is devoted to improving agriculture, the utilization of natural resources, transportation, electric power, housing, industrial development and expansion, etc.

Israel holdings of foreign exchange are negligible. As of June 30, 1953, its direct and indirect foreign debt amounted to $ 397,300,000. The large amount of short-term debt owed by Israel makes it difficult for Israel to meet its monthly payment requirements, and frequently leads to foreign exchange crises.

There has been a large amount of local capital invested in Israel in the five years since the founding of the State; but, at present, new capital resources, local and foreign, are quite thin since the inflation during the last 3 years substantially reduced working capital of business enterprises and reduced personal savings. At the present time most capital expansion must come from Government approved bank borrowing or from Government advances, including loans from the Counterpart fund. Another source is foreign capital, which has invested substantial sums in Israel since the founding of the State.

The Export-Import Bank has made two loans totalling $ 135,000,000 to Israel since the founding of the State. Israel is not a member of the International Monetary Fund and therefore not eligible for an International Bank Loan.

The local currency is not freely convertible; all foreign currency is controlled by the Government.

The transportation facilities for roads, railroads, water, and air transportation are being developed to a higher degree than in most of other Middle Eastern countries. The railroad system is a segment of the Old International system, which connected Israel with Egypt, Lebanon and Syria. It is now being extended in the d direction of Beersheba and is to be rehabilitated as a part of the Five-Year Transportation Plan. Arterial roads are hard surfaced and in good condition. A hard-surfaced road has been built to the Dead Sea at S'dom, and access roads are being built to new settlements. The route connecting Beersheba with Elath to the South is being improved. The principal harbor area is at Haifa. It is being improved and a free port is being planned as part of the Kishon River Harbor project which adjoints Haifa. With the lighterage facilities in the Tel Aviv-Jaffa area, Israel's port facilities meet the present and immediately forseeable requirements of the country. Elath, on the Bay of Aqaba, at the southern tip of the country, can be approached by ocean-going ships. As a port, however, Elath will be of little commercial value until it can be served with economical transport to the main body of the country.

Although the telecommunications network is in good operating condition, it should be expanded to meet increased demands. The airport, at Lydda, or Lud, is in excellent condition and serves international air transportation and facilities. A maintenance and repair base is being constructed at the airport.

II. GENERAL SITUATION IN THE COUNTRY

The general economic situation in Israel can be best understood in terms of the economy that the new state inherited five years ago and the problems it has faced since. The present State of Israel is an area largely lacking in natural resources and possessing a long history of trade deficits. It is a country whose economy was badly dislocated by the Arab-Israel war in 1948 and by the departure of three-quarters of a million Arabs who constituted over half the total population and the majority of the agricultural producers. Immediately following the war the State faced both the heavy influx of Jewish immigrants and the Arab economic boycott, which shut off both regional sources of food and oil and nearby export markets. It also imposed heavy defense expenditures. In the first four years after 1948 the Jewish population nearly doubled through immigrantion as 650,000 Jews entered from all parts of the world, predominatly from eastern Europe and the oriental countries. Immigration has virtually stopped now; it was more than balanced by emigration during the past 12 months.

This complex of conditions has forced Israel to embark on a ambitious program of capital expansion designed to absorb immigration and build a viable economy. Toward this end Israel has received liberal contributions from World Jewry, as well as loans and U. S. Government grants; and over the next decade will receive German reparations. The immigrants, however, were predominatly trained in commerce and services, if at all; few had agricultural or industrial experience. The present occupational structure reflects this background and has inevitably produced considerable unemployment, kept under control almost entirely by the use of Government-sponsored public works. The redeployment of Israel's occupational structure toward integrating the unemployed to agriculture and productive trades is perhaps Israel's most pressing need. Stimuli to more productive employment and to the movement of urban unemployed to agricultural pursuits are in progress.

Israel's food supply is a problem. At present only 30% of Israel's food supply is produced locally. Israel's own foreign exchange resources are inadequate to cover cost of the imported food. The question is how agricultural development can be directed to decrease Israel's dependence on imports. During the Mandate and since, agricultural policy was aimed, partly for security reasons, toward the creation of virtually independent settlements devoted to mixed farming, with emphasis on dairy and poultry products. More emphasis is now being given to production of industrial and food crops, such as oil seeds, that will directly replace agricultural imports.

Israel has experienced a severe inflation and a number of currency devaluations, largely as the result of the inflationary financing used by the new Government form 1948 - 1951. February 1952 a New Economic Policy was instituted designed to stabilize the currency, reduce consumer purchasing power to a level within Israel's capabilities of supply and to increase local production for export. This policy has been eminently successful in limiting purchasing power and stabilizing the free market value of the Israel pound. It has not yet been successful in preventing expansion of credit, despite the tightening of fiscal and credit controls nor of stabilizing prices, which have been increasing at a rate of 2% per month. Renewed attempts are being made to reduce the money supply and prevent further price increase. Up to a year ago Israel had a seller's market. This has now changed to a buyer's market. Business turnover is accordingly slow and the expansion in production has levelled off. Exports which were to have expanded to take up the slack have increased only moderately.

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During the past five years the Israel Government, in order to meet its immediate needs and to speed up development has contracted both directly and through quasi-governmental agencies, a foreign debt approaching $400 million. Nearly 20% of this is in short term debt of less than one year's maturity. This factor, rather than the size of the overall debt makes Israel's balance of payments problem unwiedly and limits her freedom of action in disposing of her foreign currency receipts.

Israel's investment climate is not considered attractive at present, partly due to instability of both local and world conditions. The rate of foreign investment which was quite high during the early years of the State reached a low point in the fall of 1952, and is only now showing signs of improvement.

To sum up, Israel's problems rise from the inadequacy of natural and human resources to meet the present standard of living of the population, complicated by heavy defense costs, her physical isolation, and low productivity in many branches of industry. Against these stand her idealism and determination to make good, as shown by her great progress to date, her demotractic government, her now improving trade balance, the German reparations, and the tested readiness of World Jewry to come through in the pinch.

Agricultrual production is capable of expansion both through the intensification by irrigation and redirection of production on land now being cultivated and by the opening up of marginal land, both for agricultural production and for grazing purposes. Since the largest single factor among the import requirements of the country is that of foodstuffs, it is considered that maximum agricultural production should be the prime objective of the country.

The rationalization of industry, and the planned expansion of basic industry are also important in order to reduce the imports of items which can be ecomomically produced in Israel and to produce those items which can be economically produced for export. While Israel will have to depend in part on the processing of imported raw materials, markets are being developed in nearby non-Arab countries in countries in Europe; and there are possibilities for Middle and Far Eastern markets.

The Government has a development budget under which provisions for large-scale irrigation expansion, agricultural production, industrial development, additional housing, transport expansion, other public works, and loans to farmers and industries are carried out.

The United Nations Technical Assistance program has been in operation since 1951 and has furnished technicians principally in the field of agriculture, but also in practically all of the fields in which the Mission is interested. Since the U.N. is not restricted by lengthy security investigations, it has been able to furnish technicians to meet immediate requirements which could not have been furnished by the Mission except after long delay. In addition to the U.N. technical assistance, the Jewish Agency has played an important part in the development of Israel and in particular in the reception and training of the new immigrants and in its cooperation with the Israel Government in the Joint Agricultural Planning Council. Other important agencies furnishing assistance of a technical and welfare nature are Hadassah, US members and friends of the Histadrut, The Organization for Rehabilitation and Training (ORT) financed by the American Joint Distribution Committee, WIZO, and others. The Ford Foundation is about to undertake a program said to total $ 410,000 in the first year which will be used primarily for research projects. The activities of all of these agencies and including FOA, are coordinated through a special office in the Prime Minister's Office in order to assure non-duplication of effort. The Mission discusses from time to time with representatives of this office various programs in order to avoid duplication.

PART III - THE PROGRAM

A. General Plan and Objectives

The prime objective of the Technical Assistance program is to "Produce Food" and for this purpose the largest allocation if U. S. dollar funds and joint fund dollars has been given to the agriculture activity. Israel is at present required to import foodstuffs costing approximately $60,000,000 each year in order to provide her people with a minimum diet. It is possible to increase the productivity of the lands now under cultivation and to open to cultivation lands which are not presently in production. To do this the water resources, both surface and underground, must be further exploited and irrigation extended. It is also necessary to develop a larger farmer population and to open up new areas both for settlement and for large-scale production.

As a further means of reducing Israel's unfavorable trade balance it is most important that selective industries which can be exported with a high added value, should be encouraged. Such encouragement should be given through allocations of raw materials, the training of the labor force required for such selective industries, and assistance in financing operations through counterpart loans or otherwise when necessary. To determine such selective industries, or plants within industries, the program includes a provision for an industrial audit mission. Provision is also made for specialists in various fields to work with such selected industries in increasing production.

Another important need of Israel is to determine as quickly as possible whether the indicated mineral deposits warrant exploitation. Such indicated deposits may prove to be a most valuable asset of the country if exploited, but on the other hand, it may prove not to warrant substantial investments of capital or manpower. For this purpose the program provides for a number of geologists to explore the indicated mineral deposits.

Improved transportation is also necessary if the agricultural and industrial expansion programs are to succeed. Transportation facilities have grown in an uncoordinated way, but with the adoption of the Five Year Plan which was developed in consultation with the Mission it is expected that transportation will be rationalized so as to provide much more effective a service at a lesser cost.

The program also provides for activities in the fields of health and sanitation, education, public administration, and miscellaneous other activities, all of which seek to improve the standards of living of the peoples of Israel, but which are subordinate to the prime objective of producing food.

The program proposed for FY' 55 is essentially a continuation of the Technical Assistance program for FY' 54. The proposed program assumes that the technicians requested in the FY' 54 program who have not arrived as of the beginning of the fiscal year, will all have arrived at an average date of January 1, 1954 and that the funds for the procurement of supplies and equipment will all be obligated in the manner programmed in the FY'54 program.

The host government has previously made contributions to the Joint Fund of local currency totalling IL 2,231,495 (for FY'52 IL 731,495 and for FY'53, IL 1,500,000). In view of the large carry-over balance of pounds as of the beginning of the FY' 54, the host government wished to delay making any further contributions to the Joint Fund until the unliquidated balance of ILs now in the Joint Fund is obligated or until

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the amount of any further pound contributions can be more accurately determined.

All of the activities will be carried out as the joint effort of the respective Ministries and the Mission. In this manner local personnel will gradually replace the U. S. technicians who are assigned to the activities, and the [redacted] will be on a basis which will enable them to be continued without further assistance from the U. S. In most of the activities it will be possible to find well-trained and experienced local personnel so that the problem of initiating such activities will not be as great as would be experienced in other areas where the number of skilled local technicians is small.

B. Chronology of Agreements

Agreement for a Technical Cooperation Program between the Government of Israel and the Government of the United States of America, August 17, 1952.

Fields of Activity and the Project Agreements that have been concluded in each field of activity:

Field of Activity	Project Agreement
Agriculture	For the improvement of Poultry Breeding
	For the advancement and Coordination of Agricultural Research
Commerce and Industry	Amendment to the FY' 52 Project Agreement #691-52-1 for Chemical Industries (4/16/53)
	Amendment to FY' 52 Project Agreement #624-52-2 for Petro-Chemistry (4/16/53)
	Amendment to FY' 52 Project Agreement #691-52-3 for the Development and Improvement of the Ceramic Industry (4/16/53)
	For Improvement in the Processing, Handling and Storage of Food
	For Improvement in the Packing, Marketing and Distribution of Domestic Production
	For Improvement in the Quality and Quantity of Production in the Metals Industry
	For Improvement of Coordination and Efficiency in the Electrical Applicance Industry
	For the Fullest Possible Utilization of Regenerated Rubber
	For Increasing the Quality and Quantity if Glass Production
	For General Industrial Planning and Development
	For the Development of the Chemical Industry
	For the Development of the Textile Industry
	For the Improved Organization and Coordination of Small Business and Handicrafts

Field of Activity	Project Agreement
Education	
Health and Sanitation	For Sewerage and Sewage Treatment For Health Education and Sanitation Demonstration For Sanitation Training For the Establishment of an Intergrated Local Health Unit For Mental Hygiene For the Development of an Endemic Disease Control Laboratory
Mineral Resources	Amendment to FY' 52 Project 391-52-3 for the Development of Potash and other Salt Production from the Dead Sea (4/16/53) For Mineral Exploration and Appraisals
Public Administration and Government Services	For Improvement in Public Administration and Government Services For Improvement in the Utlization of Manpower
Transportation, Communications and Public Works	For the Improvement in the Organization and Operation of the Maintenance Facilities of the Israel Railroad For the more effective Use of Transient, Shed Facilities in the Ports of Haifa, Tel Aviv and Jaffa For the Establishment of a Central Controlling Authority on Israel Public Utilities For the Improvement in the Maintenance of Teletype and Teleprinter Equipment
Vocational Education nd Training	Amendment to FY' 52 Project Agreement #790-52-1 for Vocational Training of Adults (4/16/53) For Increasing Productivity through the Development and Application of Improved Productivity Techniques
Water Resources	For the Planning, Designing and Coordination of Irrigation For Water Storage Facilities

Finance and Organization:

The Technical Cooperation Program in Israel is operated under a joint fund agreement. Under this agreement, dollars have been contributed by the United States Government with the understanding that such dollars are withheld by the Government of the United States to meet payments to be made outside of Israel in United States dollars, and when expended for the implementation of agreed projects are considered as if deposited to the joint fund. Dollar contributions to the joint fund are expended for financing the dollar costs of supplies, equipment and contract services. The agreement provides that the Israel Government shall deposit into the Isarel-American joint fund (which has been established by the Israel Government as an agency of that Government) an amount of Israel currency at least sufficient to cover all local currency costs of agreed projects, but, in any event not less than the Isarel currency equivalent of the dollar amount contributed by the United States Government. The joint fund is administered by two co-Directors who are the Directors of the FOA Mission and the designated representative of the Isarel Government. In addition and in accordance with the provisions of the joint funds agreement, the Government of the United States has agreed to make available the funds necessary to pay the salaries and other expenses of the members of the Technical Mission, as well as such other expenses of an administrative nature as the Government of the United States may incur in connection with implementing agreed projects. Such funds are administered by the United States Government and are not deposited nor considered as if deposited to the joint fund.

The Government of Israel has contributed to such joint fund the sum of IL 731,495 in FY' 52, and the sum of IL 1,500,000 in FY' 53. The United States obligated the sum of $757,500 in FY' 52 pursuant to agreed projects and agreed to contribute the sum of $1,872,000 to the joint fund in FY' 53. Because of the substantial balances of dollars and pounds in the joint fund, no provision was made for any further contribution either of pound or dollars to the joint fund out of FY' 54 funds.

Relations to other U. S. Programs

The FOA Mission is responsible for other economic development and economic aid programs to which the United States is a party, and which consists of the Grant-in-Aid for special economic assistance previously referred to as the relief and resettlement of refugees program, and of the counterpart program which includes the local currency equivalent of the dollar value of the economic aid furnished to Isarel. Both of these programs are substantially greater in amount than is the technical assistance program. Because of the fact that these three programs are the responsibility of the Mission it is possible to use the same staff which develops and operates the technical assistance program, developing with their counterparts in the Israel Government the Grant-in-Aid programs and the counterpart programs. Opportunity is afforded to corrdinate these several programs so as to promote the best use of all of the funds for the benefit of Israel. All these programs are coordinated through the Office of the Prime Minister and effort is made to coordinate the U. S. programs with the programs of the other agencies.

COUNTRY ISRAEL

TABLE VII

APPROPRIATION FY 1955

OBLIGATIONS BY ACTIVITY AND COST FACTOR
Fiscal Years 1953, 1954 and 1955
(Thousands of dollars)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
Agriculture and Natural Resources						
1953	684	608 a/	76	-	-	-
1954	787	-	543	38	99	145
1955	809	258 b/	499	21	52	-
Health and Sanitation						
1953	305	286 a/	19	-	-	-
1954	152	-	92	9	33	27
1955	137	25 b/	90	7	22	-
Education						
1953	264	237 a/	27	-	-	-
1954	146	-	99	7	20	27
1955	192	58 b/	111	8	23	-
Transportation and Communications						
1953	144	91 a/	53	-	-	-
1954	118	-	89	3	7	22
1955	163	23 b/	132	3	8	-
Industry and Mining						
1953	461	417 a/	44	-	-	-
1954	169	-	128	5	12	29
1955	185	33 b/	132	8	20	-

ISRAEL (Continued)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
Public Administration						
1953	273	233 a/	40	-	-	-
1954	73	-	47	5	12	14
1955	90	19 b/	48	9	23	-
General and Community Development						
1953	-	-	-	-	-	-
1954	42	-	26	3	8	8
1955	34	18 b/	14	1	2	-
Total						
1953	2131	1872 a/	259	-	-	-
1954	1487	-	1024	70	191	272
1955	1610	434 b/	1026	57	150	-

a/ Program Agreement obligations for FY 1953. Includes supplies and equipment, trainees, and local costs.

b/ Includes supplies and equipment and local costs.

October 25, 1953

FUNCTIONAL PROGRAMS

AGRICULTURE AND NATURAL RESOURCES

Total U.S. Cost $809,000
No. of U.S. Technicians-43
No. of Training Awards -21
Host Country Contribution-
NA

Objectives: To assist in devising programs by extension and demonstration which will increase production on lands now under cultivation and, with effective use of available water resources, open new lands for development with emphasis on the improvement and extension of range lands and the increase of livestock production; to provide assistance to Israel in appraising its mineral resources and their feasible exploitation.

Problems in the Field of Activity: Israel imports (in value) five times as much as she exports. Food imports alone exceed the value of all her exports. The immigrants who are replacing the rural Arabs must be reoriented and trained and costly irrigation is essential on the dry lands for crop production. Over optimism has resulted on occasion in premature investment in unproven mineral resources.

Existing Programs: The Government is working toward the development of a long-range coordinated research organization and program. Meantime, there are a number of government semi-public and private agricultural training institutions, the Israeli Soil Conservation Service with FOA and other agencies has completed a land classification survey and a study of the carrying capacity of natural range lands is being made; in cooperation with quasi-government and cooperative agencies and corporations, small-scale activities in crop production, protection, and water use are underway; a fishing school for training officers and technicians has been established through research the cost of fish feeding has been reduced; FAO has assisted in locating fishing grounds and improving techniques; ship's officers have been brought as operators and instructors from Italy and Yugoslavia; an air separation plant has been bought for use in upgrading phosphate rock; several irrigation projects are underway; for several years a successful forestation program has been in operation and is continuing.

Local Organization: In the U. S. A. Foreign Operations Mission, there are Chiefs of Agriculture, Water Resources, and Mineral Resources. These men and their assistants work with officials of the Ministry of Agriculture and of the Ministry of Finance in developing and carrying out programs and projects.

Major Activities in FY 1955	Progress to Date
Range Management Improvement - $109,000	
Further work in range improvement and management through brush burning, reseeding, water spreading and weed control	Specialists have just recently arrived and have submitted project plans as a part of the 1954 program.

Livestock Production and Animal Health -- $65,500

Continuation of activities in disease control, raising young bull calves to maturity, importation of superior breeding stock, and the utilization of present range grasses and those to be developed.

A specialist in animal health has assisted in developing tuberculin vaccines.

Agricultural Research, Extension, and Education -- $107,000

Research into more efficient methods and practices for increasing food, feed, fiber, controlling destructive diseases and insects and finding more productive strains of the essential crops; assistance in carrying on extension work on the farms to teach better farming practices; assistance in improving the curriculum and teaching of agriculture in the agricultural schools.

Specialists have been developing extensive program plans.

Soils, crops and water use -- $147,500

Designed to increase production of those crops, now heavily imported such as edible oils, cotton, kenaf and flax for fibers; hybrid corn and carrabs for livestock feed; sweet potatoes and wheat for food with special attention to be given to improving soil fertility and the efficient use of irrigation and of farm equipment.

These are new projects proposals first developed as a part of the FY 1954 program.

Exploration and appraisal of mineral deposits and geological survey -- $244,500

Continuation of the survey and appraisal of the indicated mineral resources; the Bureau of Mines, on a contract basis, will be requested to develop the most feasible extraction and processing methods for specified minerals; a drilling expert under contract will assist the geologists.

Minerals research in manganese, copper, phosphate and bituminous limestone is being conducted by a team of specialists, equipment for ore-dressing laboratory is being procured; ore samples are being tested by Bureau of Mines facilities in the U. S.

Design and coordination of irrigation -- $53,000

Technical advice on how to facilitate the expansion of agriculture in semi-arid regions through more complete and effective utilization and distribution of underground and surface water.

Specialists have been developing program plans; training has been given to crews engaged in drilling for underground water.

Water storage facility - $82,500

Construction of earth dams to provide catchments and to prevent run off of rain water.

A drilling expert is teaching local personnel in standard practices and procedures for drilling and grouting dam foundations.

HEALTH AND SANITATION
Total U.S. Costs - $137.000
No. of U.S. Technicians-9
No. of Training Awards -7
Host Country Contribution-NA

Objectives: To assist the Government of Israel in improving its public health organization and services, expanding disease prevention activities and training Israel technicians in public health; demonstrating value of local health services; expanding facilities for public health education, and control of endemic diseases; improving sanitary practices.

Problems in the Field of Activity: New immigrants have more than doubled Israel's population in 5 years. Admitted without health restrictions, many from Oriental countries with low health standards, they have overtaxed the country's health and sanitation facilities. Sickness rates for diseases amenable to sanitary measures are 30 to 120 times higher than in the U.S. This situation, coupled with poor housing and insanitary conditions in immigrant camps and the movement of immigrants to urban areas, presents a constant danger of explosive epidemics. Faced with the immediate task of providing curative facilities for the sick, the authorities could not give sufficient attention to disease prevention.

Existing Programs: The Ministry of Health has been reorganized, with an expanded Bureau of Preventive Medicine. The Division of Sanitation's staff has been enlarged. The new Minister of Health has demanded a higher budget for preventive services. A 32-member National Health Council has been appointed. A start has been made on inservice training of staff members, and several are being sent abroad for training. Funds from U.S. Grant-in-aid and German reparations are being allocated for the import of needed sanitary equipment and supplies. Many immigrants have been moved from camps to permanent housing developments. The inadequacy of sewerage systems and sewage treatment plants in the rapidly growing municipalities is causing grave concern. Regulations on milk and food control are being modernized. There is a growing recognition of the need for education of children and adults in personal and public hygiene.

Local Organization: The health and sanitation program is planned, and organized jointly by the Israel Government and FOA. The Chief of the FOA Public Health Division has direct and frequent contact with his counterpart, the Director-General in the Ministry of Health or one or more staff members designated by him. All planning, fiscal, and procurement documents must be signed by representatives of both governments.

Major Activities in FY 1955	Progress to Date
General Health Improvement - $35,000 The Sanitary Engineer and the Public Health Physician will continue to assist the Ministry of Health in planning and organizing improvements in Public Health service, supervise joint projects, and assist in training Israel Public Health technicians.	Staff has been developing project plans. In service courses for sanitarians have been developed and conducted.
Public Health Facilities - $67,500 The public health team, consisting of a Public Health Physician and a Public Health Nurse, is assisting the Government in the establishment of local health units designed to help decentralize the responsibilities of the Ministry of Health; a Public Health Educator will assist in health education and sanitation through demonstrations; the mental hygiene and the endemic disease control laboratory projects, each of which is to start in FY'54, will be completed in the first half of FY'55.	Technicians have not as yet arrived but project plans have been developed.
Environmental Sanitation - $34,500 Continuation for 6 months of technical advice on treatment of sewage and sewerage pollution, overall policies and programs relating thereto, collution abatement standards, sewage schemes and works designs, regulation of uses of sewage for agricultural irrigation, training in sanitation of government and municipal engineers; assistance to technician to enable the inclusion of sanitation training in the engineering courses will be continued.	Technicians have not as yet arrived but project plans have been developed - two training courses in milk sanitation have been held.

EDUCATION

Total U.S. cost: $192,000
No. of U.S. technicians: 15
No. of training awards: 8

Objectives: To assist the Government of Israel in the improvement of methods, curricula, and systems of general education; provide facilities and technical assistance in improving teaching standards at all educational levels; to assist in the improvement of methods, curricula, and systems of vocational training, both for children and adults.

Problems in the Field of Activity: The newly-inaugurated state system for elementary schools has not yet become uniform; secondary school costs are high and standards are not integrated or balanced; vocational training is not available for many school age and adult immigrants; there is a critical shortage of teachers.

Existing Governmental or other programs: The Israeli Government has recently established uniform compulsory elementary education. Vocational education has been carried out by various private agencies such as Hadassah, Histadrub, and the Organization for Rehabilitation and Training (ORT). The Israeli Government plans to undertake for the first time industrial and vocational education. In addition the Government has established a National Productivity Institute for the training of Israeli industrial engineers in improved productivity techniques.

Local Organization: The FOA Mission maintains cooperative relationships with the various ministries of the Israeli Government which have responsibility for some part of the nation's educational program: the Ministry of Education on the general educational program including pre-vocational; the Ministry of Labour on vocational education and training; the Ministry of Agriculture on agricultural education. The Prime Minister's Office coordinates the selection of all trainee awards.

Major Activities in FY 1955

General Education - $99,000

Consultation in the field of teacher training and curriculum development; assistance in setting up a summer workshop for a period of approximately six weeks in the summer months

Vocational Education - $74,000

Consultation in the field of teacher training and curriculum development for the vocational training centers and trade schools for adults and school age youths.

Project Plans Being Developed

Six training centers for adults are under construction and needed equipment is being procured. Equipment is being obtained for auto and agro-mechanics schools for youth.

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(Education)

Productivity Institute - $19,000

Completion of the project by production engineers of industrial techniques including the training of Israeli engineers in this field.

Awaiting recruitment of engineers.

TRANSPORTATION, COMMUNICATIONS

Total U S Cost -	$163,000
Total U.S. Technicians-	11
Total Training Awards-	3

Objectives: To assist the Government of Israel in the formation and implementation of the Five-Year Plan for transport integration and development; to advise on the utilization and maintenance of equipment for all media of transportation; to provide consultation on highway alignment and construction; to advise on electric power development.

Problem in the Field of Activity: The system serving Israel was designed as part of a regional system and not for the confined limits of Israel. Equipment, both rail and truck, is either outmoded or needs improved maintenance. Rails are incapable of supporting high speed traffic; roadbeds structurally defective. The Southern area, now being settled, is not sufficiently served. Shipping into or out of Israel is mainly concentrated in Haifa where improved freight handling and warehousing are needed. A further complication lies in the requirement that rail transport must be paid in hard currency, whereas income is entirely in local currency.

Existing Programs: A Five Year Plan has been developed by the Israeli Government to begin in 1954. This intends to provide an efficient and integrated internal transport system for the entire State of Israel with the coordination of rail and highway transport. New light self-propelled cars, modern freight cars with increased capacities, improved rail beds, scheduling, maintenance, and management as well as road construction and port expansion are to be included. By the end of calendar year 1953 production of power generating capacity will have reached 230,000 KW. In calendar year 1954 a 40,000 KW diesel plant will be installed in the vicinity of Ascalon.

Local Organization: In the FOA Mission the Chief of Transportation and Communications works with appointed counterparts in the Ministry of Transport and the Ministry of Posts and Telegrams in developing plans and supervising the implementation of projects.

Major Activities in FY 1955

Transportation Planning - $1,000

The staff, consisting of the Chief of the Division, a Maintenance and Spare Parts Specialist, a Transport Planner, and a Management Engineer, will assist in the development of an integrated transport system and in the utilization and maintenance of equipment for all media of transportation.

Progress to Date

Extension surveys by this staff have resulted in the development of specific projects to be undertaken by FOA and GOI.

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Improvement of Railways - $49,000

Specialists in the maintenance of railway equipment, rate structures and service scheduling and the maintenances and handling railroad right-of-ways will assist in revamping the railway system.

Project plans developed but technicians not yet in field.

Road Construction - $24,500

Assistance is to be given by training local personnel in the stabilization of sub-grading and in construction techniques and methods.

Project plans developed. Equipment for a soils testing laboratory being procured.

Telecommunications - $8,500

Assistance in equipment maintenances is required for the large amounts of modern equipment which has been procured.

Project initiated in FY 1954. Technicians not yet in field.

MANUFACTURING AND INDUSTRY

Total U.S Cost	$185,000
Total U.S. Technicians	10
Total Training Awards	8

Objectives: To assist the Government of Israel in making the most rapid and largest impact on its balance of payments position, through providing technical advice for its industry on improving production and quality, lower costs, better packaging and distribution methods; to assist in the provision of the results of research to companies processing domestic raw materials; and to aid in implementing the recommendations of the Industrial Development. Audit provided under a previous program.

Problems in the Field of Activity: The improvement of Israel's unfavorable trade balance requires, in addition to a decreased reliance on food imports, an expansion of manufactured exports. The limited supplies of local raw materials renders the majority of potential export industries dependent on imported raw materials indicating that development should emphasize manufactures with a high added value. Until recently, local production could be quickly sold domestically at large profits. It is now necessary to interest manufacturers in exports and to organize those industries capable of exporting so that they may compete, both as to quality and price, in foreign markets. Foreign investment, the uncertainty of imported raw material supplies, and the lack of experience and skills in the various echelons of the laboring force are serious problems.

Manufacturing and Industry

Existing Programs: The Government of Israel has attempted to encourage industrial expansion and foreign investment over the past five years. A Development Planning Board and an Investment Center have been created. The Government is now changing regulations so that exporters may retain a majority of earned foreign exchange for the replacement of raw material inventories and necessary parts

Local Organization: The Industry Division of FOA maintains close planning and working relationships with all divisions of the Ministry of Commerce and Industry, including the Investment Center and the Development Planning Board.

Major Activities in FY 1955	Progress to Date
Manufacturing - $104,000 A specialist in food processing, petro-chemistry, and light chemistry, will assist in the development of processes and techniques for the more effective operation of industries in their respective fields. The size, scope and amount of investment in textiles, chemical and metal working industries requires the services of advisors in order to effect better coordination and increase use of domestic raw materials.	Equipment requirements for a petro-chemical pilot plant have been developed and procurement initiated. Equipment for light chemistry is also being procured. Implementation of other phases has not yet begun.
Marketing and Distribution - $14,000 A specialist in marketing and distribution will assist in better packaging, crating, marketing, and distribution methods, particularly in export industries.	Operations to begin in FY 1954. No progress to date.
Research - $47,000 Assistance to be given in connection with the methods for the processing of flax and other locally grown fibers A pilot plant will be installed.	Operations to begin in FY 54. No progress to date.

PUBLIC ADMINISTRATION

Total U.S. Cost - $90,000
No. of U.S. Technicians-5
No. of Trainees - 9

Objectives: To assist the Government of Israel, on priorities established by survey in 1953, improving tax collection and enforcement in order to relieve the need for foreign funds to finance governmental operations; in clarifying the functions and strengthen the administration of local government in Israel in health, social utility, and other ordinary governmental services; and in establishing indigenous institutional facilities for dealing with problems of governmental organization and procedures; and in identifying problems of the labor force which must be solved for its optimum utilization and distribution.

Problem in the Field of Activity: The newness of the Government of Israel, its preoccupation to date with problems of security, immigration and finance, the complexity of official and quasi-official institutions, and the shortage of trained and experienced governmental administrators, together have produced a situation where development, regulatory, and service programs suffer. Top governmental officials have had little experience with these types of problems.

Existing Program: Within the executive branch of the Government nominal responsibility for organizational and procedural improvements is assigned to the Civil Service Commission, but very little of a specific nature has been undertaken due to lack of staff and know-how. A legislative committee and various groups have reported the need for systematic attention to organizational and procedural problems.

Local Organization: FOA's technicians will work with a proposed Administrative Planning Unit in the Israel Government and be the focal point and coordinating unit for all technical assistance projects in public administration. That Unit will have direct responsibility for the projects in local government and records administration. The survey and installation project in tax administration will be carried on directly with the Ministry of Finance. The installation project for the National Insurance Program and the labor force survey, will be carried on directly with the Ministry of Labor and the Central Bureau of Statistics.

Major Activities in FY 1955

General Public Administration - $54,000

A Public Administration expert and a Labor Advisor will work with the Israel Government in the analysis and solution of broad problems of administration and organization with attention also to problems of labor legislation and utilization.

Progress to Date

A survey of the administrative machinery and organization of the Israel Government by the Public Administration Service has been completed. The recommendations of this survey underlie the present program. Surveys of Israeli labor organization and legislation have been undertaken preliminary to the development of projects and to advise the Israel Government of labor

problems. A manpower utilization survey has been completed and advice given to the Government on problems relevant to the redeployment of the labor force.

National Insurance Fund - $24,000

Social Security experts will assist the Government in the establishment of a national insurance system to provide for social security, workmen's compensation and maternity benefits for working women.

Operations to begin in FY 1954. No progress to date.

Tax collection and enforcement -

Assistance is to be given in investigation and setting up procedures and in training personnel for increasing tax collections. The project will continue during FY 1955 under FY 1954 funds obligated by contract.

Operations to begin in FY 1954. No progress to date.

Industrial Safety and Health - $12,000

To assist in the improvement of procedures for the safety and health of industrial workers at their places of employment and to train inspectors necessary to assure the enforcement of such regulations, especially in the fields of construction, mining and chemical industries.

Operations to begin in FY 1954. No progress to date.

Personnel Administration - Classification and Pay Study

The present work classification and pay classification of Government employees will be reviewed and improved in order to promote a more equitable civil service. The project will continue in operation during FY 1955 under FY 1954 funds obligated by contract.

Operations to begin in FY 1954. No progress to date.

ISRAEL

GENERAL AND COMMUNITY DEVELOPMENT

Total U. S. Cost - $34,000
No. of U.S. Technicians -2
No. of Training Awards -1

Objectives: To assist the Government of Israel in strengthening the national unity of Israel, in improving techniques of dissemination of educational information, and in implementing the Joint Israel-United States technical cooperation program now under way.

Problem in the Field of Activity: Israel is a nation which has doubled its Jewish population within the past five years. It is a huge undertaking to provide national unity in the simplest fields among these 700,000 new immigrants from 74 different lands. A comprehensive mass communications program is of major importance to Israel for bringing together these heterogeneous people into a single nation.

Existing Government or Other Program: Some progress has been made in the basic developments of mass communications for educational and information purposes. Yet there is considerable deficit in the field. The media involved, government and private, acknowledge their needs for a much higher technical level in order to accomplish the economic purposes of mass communications.

Organization: The U.S.-FOA Public Relations officer and his counterpart, the Director of the Government Information Office of the Prime Minister's Office and the FOA visual specialist and his counterpart in the Israel Government work in close association in the development of mass communications, plans and techniques.

Major Activity in FY 1955

Mass Communications Project - $34,000

The continuation of a project for the development and training in audio-visual phases of economic life, in public information and education, and in public relations in order to strengthen national unity, and further economic development.

Progress to Date

Project operations to begin in FY 1954. Plans have been developed and contract negotiations with Syracuse University for the required technicians are in process.

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JORDAN

Total U S Cost 2,411,000
No of U.S. Technician 27
No. of Trai ining Awards 77
Host Country Contribution 1,478,000

I. RESOURCES AND NEEDS

Natural:

The area of Jordan is 37,690 square miles. 31,590 square miles is desert and 6,100 square miles is agricultural village occupance. Agricultural and urban areas are located in the extreme northwestern part, separated from Israel and the Mediterranean by closed political barriers. The desert is only sparsely habitable with extensive wastes.

Streams are restricted to the northwest. They flow from the flanking highlands to join the Jordan River which orginates in Syria and Lebanon. The Yarmuk is the principal tributary. The Jordan is an international stream currently the subject of much controversy and political tension. Ground water occurs in the Jordan Valley, in pockets and basins in the uplands on both sides of the valley, and in closed basins on the desert.

Crop production is confined to the northwest. Less than half the 6,100 square miles of non-desert is arable - about 2,700 square miles is cultivated. Wheat is the leading crop and food item. Average production is about 150,000 tons. Next in importance is olives, average production about 43,000 tons; then grapes, about 40,000 tons. Vegetables and fruits are grown including tropical and mid-latitude varieties. Livestock includes sheep, goats, camels, cattle, and burros.

Jordan produces less than half the staple food commodities needed and must import such basics as grains, meat, and edible oils. Large farmers produce for the commercial market, small farmers practice subsistence-type agriculture. Wheat is the principal cash crop, followed by vegetables and fruits. There is some export of

agricultural commodities, but imports greatly exceed exports.

The principal minerals are phosphates, present in large quantities, manganese, potash, gypsum, marble, all bulky materials that would have to be moved in large tonnages to be of economic value.

Human:

There are about 1,360,000 people in Jordan. All but about 100,000 of these live within the 6,000 square miles of non-desert area, this area having a population density of about 212 per square mile. The population composition is: Unsettled Bedouin, 50,000; semi-settled Bedouin, 50,000; fellahin and other village dwellers, 780,000; urban people, 325,000; inhabitants of refugee camps, 125,000; Arab Legion, 30,000. Among these there are about 465,000 displaced refugees; 400,000 "in place" refugees; and about 460,000 original Transjordanians.

70% of the people are illiterate, 15% more read a few words. Half the Bedouin and perhaps 35% of the villagers are almost complete isolates, having only a vague awareness of the world beyond their immediate neighborhood. About one-half the boys of elementary school age attend school, and only one-tenth of the girls, and only about 4% of those entering elementary school reach the secondary level.

Health is impaired by three major causes; dietary deficiencies, inadequate housing, and organisms. Scurvy, rickets, pellagra, etc. are common; intentinal diseases, tuberculosis, malaria, typhoid fever, trachoma, and all sorts of internal and external parasites are common. Infant mortality runs as high as 50% in some areas; only a little over 2% of the births take place in hospitals.

There are some 125 thousand farm families, 15 to 20 thousand families engaged in livestock production, 30 thousand merchants, traders and other city workers, 30 thousand soldiers and about 90 thousand families supported on UNRWA dole. Probably not more than 50 thousand people in all of Jordan are fully employed and 30 thousand of these are in the Arab Legion. The economic status of a large part of the population is at the minimum of human existence.

Capital:

No dependable figures have been compiled on national income, but it has been estimated at about 30,000,000 J.D. or $84,000,000 of which $54,000,000 is production and $30,000,000 comes in the form of outside subsidies and loans. About 65% of the operating capital is invested in the businesses of importers, agents, merchants, transportation concerns, and to a lesser extent, contractors, printers, hotel owners. About 25% is operating capital of land owners and farmers. Only 5% is invested in industries, soap, olive oil, flour, wood products, etc. Around 4% is invested in rental properties. Much of this has been invested by the few refugees who arrived with money. Total investment represented in the above figures is about 50,000,000 J.D.

The total government revenue for F.Y. 1953-54 is estimated at 15,184,466 J.D. Of this only 7.6% comes from taxes, 13.5% from customs and excises, 9.6% is a U.K. grant, 55.8% is a U.K. loan (essentially a grant), and 13.5% from miscellaneous sources. Expenditures are broken down as follows: 52.8% for the Arab Legion and police, 12.6% for public works, 6.4% for agriculture, forestry, etc., 2.2% for customs, trade, and the other for health, education, government administration, royal family, etc.

Money in circulation is averaging about 8½ million dinars currently. The most recent figures show imports to be valued in the order of 14,219,000 J.D. (exclusive of the considerable volume of illegal imports) and exports at 1,280,000 J.D., leaving a deficiency of almost 13,000,000 J.D. The principal exports are agricultural products and raw materials. The principal imports are consumer goods, largely luxury items.

No loans have been made by the leading international banking institutions. Credit facilities consist of four private banks, 2 public banks, the Agricultural Bank and the Development Bank. (the latter is

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the major source of foreign capital), and the private money-lenders. Jordan is in the Sterling area and dinars are readily convertable to pound sterling but not to dollars.

Lack of transportation facilities is an effective barrier to economic development. The country is highly sectionalized and locally isolated due to lack of communications. Customs, intricacies and political tensions and boycotts prevent freely flowing regional trade and exchange.

II. GENERAL SITUATION

The dynamic element on the Jordan political scene today is the Palestinian. In the previous Cabinet he was the focuse of the Opposition. His major grievances, part real and part fancied, were the Government's failure to improve the plight of West Jordan (Arab Palestine), its failure to undertake a dynamic and aggressive policy with respect to righting the "wrong of Israel," and its cavalier treatment of what the Palestinian - generally more enlightened than his East Jordanian counterpart - considers freedoms basic to any democratic society. Under the present government, every effort is being made to alleviate these grievances.

It is thus evident that the present pattern of politics is a legacy of the creation of Israel, which not only injected the Palestinian into Jordan politics but left a backwash of discontent, rabid emotionalism, and economic hardship in its wake. The impact of this on U.S. policy is that the existance of a stable Jordan, friendly to the U.S., is in large part determined by U.S. policy vis-a-vis Israel. If Jordan finds U.S. policy favors Israel over the Arab States, Jordan is more susceptible to the nefarious activities of the Palestinian extremists (rendering it less stable) and more receptive to the virus of xenophobia and, specifically, anti-Americanism (rendering it less friendly). If, on the other hand, the U.S. gives evidence of altering an Arab-viewed policy imbalance favoring Israel over the Arab States, Jordan becomes a firm and reliable partner of the U.S. and

of the community of free nations.

There is no doubt that the U.S. technical advice and U.S. economic aid are indispensable elements in U.S. Foreign Policy, and open gestures favoring the Arabs must be made.

The Government of Jordan's Plans

The HKJ is thinking in terms of a five year plan. A principal item is increase of agricultural production. New varieties of grain, growing of fruit trees rather than cereals, and nurseries for demonstration purposes are to be increased. The government plans to extend credit to farmers, and to establish more agricultural schools.

The Ministry of Communications has planned a five-year road program. Priority will be given the main roads, and tributaries connecting isolated villages to the main highways will follow.

The Ministry of Economy plans to execute a series of projects as follows: (1) The Aqaba port, (2) A highway connecting the Dead Sea to Aqaba, (3) 60-100 carriages are to be bought to increase the capacity of the trains, (4) An olive refinery is to be started, (5) The Government will invest JD 150,000 in the present phosphate company, (6) A superphosphate plant is to be erected and sulfuric acid is to be prepared from gypsum, (7) An oil refinery will be built.

The Ministry of Health and Social Affairs plans to establish more clinics in isolated villages. Doctors are to be increased and sent to the villages and tribes. Hospitals are to be started, the number to be determined by the funds available.

The Ministry of Education has a program composed of: (1) Special training schools for teachers, (2) Raise teachers salaries, (3) Make elementary education compulsory, (4) Start more schools, (5) Encourage girls' schools, (6) Teach professional courses, especially agriculture and trades.

Other Assistance Programs

UNRWA has as its sole aim the creation of better opportunities

for Palestine refugees. UNRWA projects are to help refugees create new homes and settlements, and to reclaim lands to increase production.

The Development Board is an overall coordinating agency and handles the British loan development program of loans, ports, roads, airports. The Board does not supplant the program agreement under which OMJ operates.

BMEO is making agricultural loans particularly to the "front line" villages, and has assigned technicians in economics, veterinary medicine, and cooperatives on a part-time basis.

UNTAA technicians operate primarily at national planning levels. Activities include economic planning, port facilities, public administration, small industries, particularly those involving chemical technologies, and construction and mechanical installations.

FAO has assigned an agricultural economist to Jordan to prepare an overall ten year plan for agriculture.

UNICEF and WHO are cooperating with OMJ and the Ministry of Health and Social Welfare in carrying on mother and child health and tuberculosis control programs.

The Ford Foundation is assisting the Arab National Hospital in Bethlehem, Mousa Naser's Junior College, the Arab Development Society; has granted to the Ministry of Education money for laboratory equipment, and is assisting the American Friends Service Committee in a village improvement program.

PART III-THE PROGRAM

A. General plans and objectives.

The long term objective of the program is to make maximum use of the resources available to meet the needs of the people. The resources are so meager and the needs of the people are so numerous and critical that the greatest efficiency and the widest possible distribution of the necessities of life are vital. The program, therefore, must be scheduled to help Jordan as quickly as possible, but the task is of such magnitude and nature that a long-term, sustained campaign will be required.

Each department-ministry joint activity contributes to overall and specific objectives. Agriculture, range and water resources are increasing food production. Health is increasing human efficiency and productivity. Education and all the other departments are training people in the productive skills. U. S. technicians are giving industrial and commercial advice and are designing increased facilities for processing raw materials and for marketing industrial products. Agricultural production is combined with efforts to increase food processing and marketing. Credit demonstrations are pointing out proper use of funds in both agricultural and industrial spheres. Transportation and communications are needed to tie the economy together, making possible the whole development, and suitable roads and other developments are being demonstrated. Census and other socio-economic data are being used as a basis for planning the entire program. The establishment of the Jordan-American cooperative departments has set the organizational framework, for initiating the program, for phasing the work into Jordan governmental structure, and for developing individual and group competence. The program has moved progressively into a peoples program, with continuously increased emphasis on U. S. - Jordanian technician teamwork, training, and mass educational activities in every possible situation.

By the close of FY 1954 the U. S. Technical Assistance Program should be engaged with the full concurrence, understanding, and participation of the Jordan Government in work effective at all levels down to the villages and tribes. This will be accomplished by the training and placing of more and more Jordanians in the field where they will be back-stopped by Jordanian technicians who in turn will have the advice of U. S. technicians.

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Most the construction projects will be completed as far as FOAJ is concerned and more of the responsibility for operation will fall upon Jordan. U. S. technicians will be correspondingly freed to devote more time to training and demonstration. This will mean that the benefits of the program will be distributed more widely.

The program will be patterned on an areal need basis with field staff units operating at key points. It is envisioned that both urban and rural field posts will be established. Urban posts will be concerned with employment, housing, trade, vocational training, sanitation water supply, promotion of industrial development. The rural posts will be concerned with such things as agriculture, irrigation, rural education, water supply, and community organization. The entire arrangement will be adapted to meet regional and local variations in needs.

The organization of a Community Development Service with appropriate governmental connections is envisioned to train and place in the field generalists who would act in liaison between people and technicians. A joint Jordan-American economic and social improvement service is the intention, the exact pattern, timing, and direction of the program depending upon requests by the Jordan Government and upon further analysis of need within the community areas, and upon the availability and time of arrival of technicians. A long-range permanent Jordanian community service will be developed.

In line with these plans it is hoped that the training program will be improved and systematized and a training officer if available, placed in charge. Cooperation with private non-profit agencies will be enlarged and organizations of this kind will be brought into the program in an appropriate way. Closer cooperation will be established with private business concerns and help will be given them to initiate and conduct sound enterprises of types that would generate maximum amounts of employment and industrial development. If authority is granted and funds are adequate, it is hoped within limited facilities to provide technical advice, plans, designs, and -

information on materials, markets and other matters of interest to potential investors, and to find new possibilities for private investment and when sound propositions are found, to turn them over to entrepreneurs with the necessary credit and follow-up technical advice.

The Yarmouk-Jordan Valley Project will continue to be an important component of technical assistance in Jordan with U. S. technicians continuing to function in a planning capacity, while UNRWA and other appropriate agencies are brought together with FOA to form an administrative board. This will make possible close-coordination of the project. At the same time emphasis will be continued on the development of other numerous smaller irrigation projects scattered over Jordan.

The grasslands development program will continue on an expanded scale.

The agricultural program will be composed of four major sub-divisions, (1) extension and education, (2) live-stock improvement, (3) farm machinery and tools, and (4) credit.

The Health Program will concentrate on (1) environmental sanitation, (2) village water supply, and (3) general health training with emphasis on training of nurses, midwives and field health workers.

In education, effort will be concentrated in two very broad fields, (1) teacher training including the training of community education leaders, and (2) vocational training covering the trades, arts and crafts, and agriculture. Effort will be made in connection with this program to develop a creditable agricultural college in Jordan.

It is proposed that budgets for the technical departments continue at 1954 levels. All item charges are not considered as additions but as shifts in emphasis. The budget for the Community Development Service is shown as an augmented item. The justification for this is that there must be local-level coordination and liaison of the program in order that it may be felt by the people and thus accomplish U. S. objectives in the country.

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B. Chronology of Agreements (as of September 1953)

February 21, 1951	Country Agreement Signed
May, 1951	Knappet, Tippets, Abbet Engineering Co.
May 12, 1952	Program Agreement Signed

COMPLETED PROJECTS

Date Completed	Title	Type of Work
March, 1952	Amman-Jerusalem Highway	Clearing landslide debris and reconstruction of road.
June, 1952	Mosquito Control	Draining stagnant pools.
June, 1952	Flood Control at Amman	Channel enlargement and straightening, Wadi Amman.
June, 1952	Manganese Survey	Geological and Minerals Survey
July, 1952	Circassian Society	Leveling recreational area.
August, 1952	Cleaning Muwaqqar Cistern	20,000 cu. yds. debris removed.
November, 1952	Plastering Muwaqqar Cistern	Entire cistern waterproofed
August, 1953	Olive Oil Studies	Surveys and recommendations
August, 1953	Industrial Surveys	Surveys

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PROJECTS IN PROGRESS

Date Signed	Name of Project
April 20, 1952	Agricultural Education
May 12, 1952	Census
May 20, 1952	Equipment Supply Project
May 20, 1952	Range Resources Development
June 19, 1952	Central Laboratory
July 2, 1952	Ramallah Normal School for Women
July 10, 1952	Mineral Surveys
July 17, 1952	Health Surveys
July 17, 1952	Yarmouk
July 19, 1952	Commercial School
July 28, 1952	Wine Graders
August 4, 1952	Mineral Development
October 8, 1952	Central Laboratory Operation
October 20, 1952	Plant Disease Control
October 20, 1952	Agricultural Machinery
November 6, 1952	Horticultural Improvement
November 11, 1952	National Tuberculosis Center
November 19, 1952	Trade and Travel
November 23, 1952	Community Loans
December 9, 1952	Dead Sea Survey
December 21, 1952	Teachers College for Men
December 21, 1952	Trade School
December 25, 1952	Grain Storage Elevators
December 31, 1952	Rural Training Center
April 10, 1953	English Libraries
April 21, 1953	Nurses' School
April 26, 1953	Aerial Mapping
April 26, 1953	Arts and Crafts
April 28, 1953	General Wadi
May 11, 1953	Road Demonstration
June 1, 1953	Materials Study
June 4, 1953	Veterinary Extension
June 20, 1953	Wadi Duhliel
June 30, 1953	Forest Development
July 22, 1953	Environmental Sanitation

PLANNED PROJECTS

Agricultural Schools
Animal Husbandry
Agricultural Extension
TB Furnishings
Ground Water Development
Credit

C. Financing and Organization.

FOA/J has the service type organization. Six functional cooperative departments are placed within ministries, each with a chief operating as a team-mate of the corresponding minister. U. S. technicians work in the same relationship with Jordanian technicians. The U. S. Director and the Minister of Economy jointly direct the entire program and policy. Plans grow from the "grass roots" of the Jordan-American technician teams, move to the Chief-Minister team level where they are integrated on a departmental basis, and then to the total program level where they are coordinated nationally and regionally. Funds are allocated to joint accounts (one for each Department) and fused with host country funds into single accounts. Then the accounts are subdivided by projects according to needs.

For Jordan, the "Agriculture and Natural Resources" category is divided into three cooperative departments, Agriculture, Range Resources, Water Resources. "Health and Sanitation" is coincident with the Cooperative Department of Health and Sanitation, and "Education" with Education. "Transportation, Communications, and Power," "Manufacturing and Industry", and "Public Administration", are combined under the Special Services Division ("Economic Development Fund.")

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Jordan's contribution has grown with impressive rapidity, in view of the country's financial ability, but may be approaching a limit beyond which it cannot soon go. The contribution was nothing for fiscal year 1952, when a wheat grant by the U.S. was used to generate the equivalent of 1,264 thousand dollars; in 1953 it was equal to about $307 thousand in cash. The 1953 contributions breakdown $84,000 to Agriculture, $28,000 to Education, $84,000 to Health, $56,000 to Water Resources, $28,000 to Range Resources, $28,000 to Economic Development Fund. In kind there was $359,000 for Health and $265,000 for Education. For FY 1954 about $426,000 in cash is in view and the ultimate amount may reach $500,000. With anticipated UNRWA and third party contributions, the amount may reach $12,000,000, of which more than $10 million will be for the Yarmouk, subject to further negotiations. The 1954 contributions in sight include $112,000 for Range Resources, $104,000 for the Economic Development Fund, and $210,000 for Water Resources. It is hoped that at least $56,000 (20,000 JD.) will be contributed for each of the three remaining departments, but it is considered that a "fair share" contribution will have been made with the payment of the sums now agreed upon.

D. Relation to Other U.S. Programs

A committee has been organized to coordinate public information activities for FOA-J. It is composed of membership from U.S.I.A. Embassy, and FOA. Exchange of persons is coordinated with U.S.I.A., although that organization sends only one or two students. There is no U.S. military assistance program in Jordan at present.

COUNTRY JORDAN

APPROPRIATION FY 1955

TABLE VII

OBLIGATIONS BY ACTIVITY AND COST FACTORS
Fiscal Years 1953, 1954 and 1955
(Thousands of dollars)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
Agriculture and Natural Resources						
1953	1334	1084/a	230	/b	20	/a
1954	1187	308	304	24	69	506
1955	1161	100	572	37	148	341
Health and Sanitation						
1953	299	230/a	69	/b	--	/a
1954	234	45	88	8	40	61
1955	240	20	130	10	40	50
Education						
1953	448	367/a	61	/b	20	/a
1954	287	43	77	6	18	149
1955	245	30	104	10	40	71
Transportation and Communications						
1953	120	120/a	--	/b	--	/a
1954	261	95	59	1	4	103
1955	124	--	104	3	10	10
Industry and Mining						
1953	297	233/a	60	/b	4	/a
1954	222	12	82	5	20	108
1955	319	25	169	12	50	75

a/ Local costs, not readily separable from supplies and equipment, are included in figures for supplies and equipment. (Source -- Program Agreement Funds)
b/ Not readily available.

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JORDAN (Continued)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
Public Administration						
1953	184	126/a	20	/b	38	/a
1954	11	—	11	—	—	—
1955	13	—	13	—	—	—
General and Community Development						
1953	—	—	—	—	—	—
1954	11	—	11	—	—	—
1955	309	35	169	5	20	85
Total						
1953	2682	2160/a	440	/b	82	/a
1954	2213	503	632	44	151	927
1955	2411	210	1261	77	308	632

Memorandum	Contractual Services	Joint Funds
1953	990	2160
1954	426	1430
1955	152	842

October 22, 1953

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FUNCTIONAL PROGRAMS

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AGRICULTURE AND NATURAL RESOURCES

JORDAN

Total U.S. Cost $1,161,000
No. of U.S. Technicians- 44
No. of Training Awards - 37
Host Country Contribution - 530,000

Objectives: To provide assistance in developing an effective extension and demonstration program designed to make more effective use of land and water resources in order to increase crop and livestock production. To provide assistance in planning and executing a broad-scale water resources development program on the Yarmouk-Jordan Rivers and through tapping underground water sources.

Problems in the Field of Activity: One of the chief problems is getting Jordanians to work on the projects despite the large numbers of unemployed. Another major problem is the lack of local capital necessary to undertake the construction phases of the projects.

Existing Programs: The Jordanian Ministry of Agriculture has a five year plan for the overall intensification of agricultural production. New varieties of crops are to be introduced, the planting of fruit trees will be expanded and agricultural credit institutions and agricultural schools to be established. The Department of Irrigation is working on nine irrigation schemes - with five already under construction. Work is also proceeding in the field of Forestry with six nurseries and eight afforestation schemes in operation; fire prevention and village level fuel collections programs are also in progress.

Local Organization: The Cooperative program is administered through a Servicio type organization with a cooperative Department established in the Departments of Agriculture for agriculture development and in the Ministry of Finance for Water and Range Resources development.

Major Activities in FY 1955	Progress to Date
Agriculture Extension - $270,000	
Continuation of a program of plant disease control and horticultural improvement. The establishment of an extension service within the Ministry of Agriculture by training field personnel to work with farmers in improving productivity, develop pilot demonstration schools on use of better seed, fertilizer etc.	A U.S. plant pathologist is advising 20 Jordanian plant protection workers on critical plant diseases, spraying equipment and supplies have been brought in to Jordan. 4 experimental areas set up and a comprehensive farmer training program instituted. In horticulture, a modern nursery is in operation with about 60 Jordanians being trained in grafting, budding and management of nurseries; about 700,000 plants of phyllorera resistant stock to be distributed in FY 1954. The formal extension program is just getting underway in FY 1954.

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Livestock Improvement - $72,000

Continuation of technical assistance, demonstration and training in developing and improving native and introduced breeds of livestock. Improved animal husbandry practices taught and demonstrated; courses given in training livestock inspectors, disease control, quarantine, and vaccination.

Training courses have been organized, regular meetings being held with livestock inspectors and government livestock workers. Field inspections and demonstrations instituted as routine.

Farm Machinery Demonstration - $46,000

Continuation of work with machinery dealers, farmers, government workers in demonstration of better farm implements and tools with continued emphasis on training Jordanian workers, dealers, and farmers in improved methods.

Tractors, plows, etc purchased. U.S. technician demonstrated use of equipment extensively. Small plows distributed to farmers for trial. 20 farm machinery workers trainedto do demonstration work.

Agricultural Credit - $24,000

In coordination with several other agencies operating in the loan field, issue small loans to farmers, cooperatives, etc. Provide technical advice to other agencies in credit operations, development of credit policies and practices in Jordan.

Program started in FY 1954.

Grasslands Development - $263,000

Continuation of technical assistance in water spreading, range management, stock pond development etc. Demonstrations in cleaning and sealing cisterns, development of ground water for livestock and demonstrations in drilling wells.

Large demonstration project in water spreading has stimulated self help in other areas of Jordan. Demonstrations of cisterns cleaning methods has had similar results.

Forestry and Conservation - $70,000

Continuation of technical assistance in reforestation, afforestation, and village forestry for soil conservation purposes and means for providing lumber for fuel and other purposes.

Made preparation by digging 50,400 holes for trees. Planted trees in Jordan Valley.

General Irrigation Improvement - $192,000

Assistance to farmers, communities and villages in the revamping and redesigning of small irrigation projects including wells, springs, and streams. Training and organization of Government staff to continue program.

Projects have been completed in 3 locales. U.S. and Jordanian engineers conducting surveys, preparing plans and making economic evaluations to determine feasibilities.

Yarmouk Development and Settlement - $224,000

Continuation of assistance to the Government of Jordan in the development of the Yarmouk and Jordan Rivers and their tributaries for irrigation and power purposes. Technical assistance is confined principally to engineering advice and supervision of construction UNRWA and other capital to be used for construction costs.

Engineering contracts let and studies underway. Studies include impact on economy, appropriate utilization of lands, advantageous utilization of products and management aspects of administration and maintenance of development works.

HEALTH AND SANITATION

Total U.S. Cost - $240,000
No. of U.S. Technicians-10
No. of Training Awards -10
Host Country Contribution - $220,000

Objectives: To assist the Government of Jordan in its programs to raise the general level of health through improved health facilities and education and through preventive measures in the field of sanitation.

Problems in the Field of Activity: The chief problem is Jordan's lack of funds in the national budget for paying workers and undertaking the necessary construction of facilities. The lack of technical knowledge is another major problem which is closely allied to the lack of funds.

Existing Programs: The Ministry of Health and Social Affairs has plans for establishing a country-wide health program. The number of health clinics and doctors is to be increased at the village level and among the tribes. Regional hospitals are to be started. These plans are contingent upon availability of funds.

Local Organization: The cooperative program is administered through a Servicio type organization with a Cooperative Department of Health and Sanitation established within the Ministry of Health.

Major Activities in FY 1955	Progress to Date
General Health Training - $71,000 Expansion of previous year's program of nurses training to include, in addition to nurses training, the training of midwives, sanitarians, and technicians in the field of potable water supply.	A nurses training school has been established. Plans have been laid for practical training work at hospitals and clinics.
Environmental Sanitation - $95,000 Continuation of technical assistance, supervision and training in water supply improvement, sewage and garbage disposal, disinfection, and insect and vermin control.	The program has been initiated in several cities and towns. U.S. technicians are drawing plans and local communities are doing the work of disinfecting water supply, servicing septic tanks, establishing regular garbage collection systems, and providing adequate toilet facilities.
Operation of Central Laboratory, Maternity and Child Health Center and TB Center - $74,000 Continuation of technical assistance in (1) the general operation of a central laboratory servicing the medical, public health, and agriculture sectors of the entire kingdom, (2) the operation of a Maternity and Child Health hospital, and (3) the operation of a TB center.	U.S. technicians are assisting and instructing Jordanian doctors, nurses and laboratory workers in the operation of the central laboratory. The maternity hospital is under construction, as is the TB Center. A U.S. technician along with WHO technicians are working with the Jordanians in setting up the TB center.

EDUCATION

Total U.S. Cost - ₯245,000
No. of U.S. Technicians - 8
No. of Training Awards - 10
Host Country Contribution - 120,000

Objectives: To assist the Government of Jordan to improve the standards and quality of fundamental education and to develop a program of vocational education.

Problems in the Field of Activity: Teachers are undertrained and underpaid.

Existing Programs: The Ministry of Education has set out a program of increased training for teachers, compulsory education at the elementary level, increased number of schools and enlargement of the curriculum at the secondary level. Professional education will be taught in the secondary schools and encouragement will be given to the extension of educational facilities for girls.

Local Organization: The cooperative program is administered through a servicio type organization with a cooperative department of education set up in the Ministry of Education.

Major Activities in FY 1955	Progress to Date
Teacher Training - $122,000	
Continuation of Technical Assistance in teacher training institutions for men, women, and rural areas.	A women's normal school and a men's normal school will have been constructed and in operation during FY 1954. A Rural Training Center will go into operation early in FY 1954 with a 2 year curriculum and 8 villages to be used as field instructional laboratories.
Vocational Training - ₯123,000	
Continuation of technical assistance in trades, arts and crafts, agriculture, and other forms of vocational training.	A new trade school is almost completed. Three of six shops to be ready early in FY 1954; a three year curriculum worked out. Arts and Crafts curriculum developed and courses to be introduced into teacher training institutions during FY 1954. The agriculture education work has just begun.

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INDUSTRY AND MINING
Total U.S. Cost - $319,000
No. of U.S. Technicians-13
No. of Training Awards -12
Host Country Contribution-
$100,000

Objectives: To assist the Government of Jordan in providing opportunities for employment and greater economic stability by expanding industrial production, exploiting mineral resources and developing tourism.

Problems in the Field of Activity: Greatest difficulty is encountered in the development of new industrial ventures. Prospects for investment are meager and unattractive and there is essentially no interested capital. Urban unemployment is one of the most serious and basic problems in Jordan.

Existing Programs: The Ministry of National Economy plans to execute a series of projects that will help establish a sound economy for the country. Some of the specific projects are (1) the development of the Aqaba Port, (2) a highway connecting the Dead Sea to Aqaba, (3) erection of a superphosphate plant, (4) starting of an olive pressing industry.

Local Organization: The cooperative program is administered through Cooperative Department in appropriate ministries.

Major Activities in FY 1955	Progress to Date
Industrial Development - $185,000 Continuation of technical assistance to private industrial development organizations advising them on plant location, design, marketing, transportation, etc., and advising them on means for raising investment capital.	Surveys being made regarding feasibility of a petroleum refinery and a sulphuric acid plant. Training efforts are aimed at local entrepreneur, management and at the development of trade skills.
Mineral Development - $97,000 Continuation of surveys and planning of various types of mineral development. Implementation of manganese, potash, phosphate developments.	Surveys are underway. Some interest has been expressed by foreign investors in the exploitation of certain minerals and there are indications that phosphates are marketable.

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PUBLIC ADMINISTRATION
Total U.S. Cost - $13,000
No. of U.S. Technicians- 1
No. of Training Awards ---
Host Country Contribution- $20,000

Objectives: To assist the Government of Jordan in obtaining reliable statistics on population, housing, agriculture, and industry as an aid to economic development planning.

Problem in the Field of Activity: Lack of information of a country-wide nature needed to plan and execute an integrated economic development program.

Local Organization: U.S. technicians working as advisors to the appropriate Ministries.

Major Activities in FY 1955	Progress to Date
Public Finance - $13,000	
Continuation of technical assistance in the field of census taking including a census of agriculture and industries, and the establishment of mechanical tabulation equipment.	A census of housing was taken covering all living quarters in Jordan; more than 500 Jordanians have been trained in census field work and Jordanian statisticians have been trained both in the United States and at Beirut.

GENERAL AND COMMUNITY DEVELOPMENT
Total U.S. Cost - $309,000
No. of U.S. Technicians -13
No. of Training Awards - 5
Host Country Contribution - $308,000

Objectives: To provide assistance to the Government of Jordan in attacking the basic problems of rural life including health, education, vocational skills and community organization.

Problems in the Field of Activity: The development of a coordinated program of assistance involving several ministries requires a degree of governmental sophistication and efficiency lacking in the underdeveloped countries. In addition, the skilled personnel and the funds required are a limiting factor on progress.

[redacted]

[redacted]

Trade and Travel - $37,000

Continuation of technical assistance in the encouragement of travel in Jordan; advice and technical assistance to hotel operators and others engaged in the tourist business.

A Trade and Travel Department has been established; efforts are being made to ease restrictive regulations, and plans are underway for improving tourist accomodations.

TRANSPORTATION AND COMMUNICATIONS

Total U.S. Cost $124,000
No. of U.S. Technicians-8
No. of Training Awards -3
Host Country Contribution-
$180,000

Objectives: To assist the Government of Jordan to develop transportation and communications systems needed to facilitate both the economic development program and the domestic and foreign exchange of goods; to ascertain facts about the existing facilities throughout the country.

Problems in the Field of Activity: Except along a few main roads and the railroad it is impossible to move commodities. Regions and communities are isolated. The problems include lack of information on the most suitable road types and the financing of construction.

Existing Programs: The Government of Jordan has a five year program of road improvement. Roads are to be started to connect cities, villages, and agricultural settlements. Priority will be given to main roads connecting districts and cities, tributaries connecting isolated villages to the main highway will follow.

Local Organization: It is planned to establish a Cooperative Department within the Ministry of Communications for carrying on this program.

Major Activities in FY 1955

Progress to Date

Roads and Communications - $124,000

Continuation of technical assistance in the development of roads and communications. Provide demonstration in improved road building methods; train personnel in design and layout; demonstratation equipment needed and train workers in the care of equipment. Also provide technical assistance in the fields of railroad, radio and telecommunications development.

A comprehensive road development plan has been prepared and a demonstration gravel-type road is in process of construction. Construction methods, machinery, materials and organization are being demonstrated.

[redacted]

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Local Organization: Program just getting started.

Major Activities in FY 1955

General and Community Development - $309,000

Technical assistance and advice to the Government of Jordan in the development and administration of model community development programs designed to improve the standards of living in the rural areas.

Progress to Date

A community development specialist is in Jordan advising all Departments on relations with rural communities and developing a social community development program appropriate to the needs of Jordan.

[redacted]

Total U.S. Cost - $2,567,000
No. of U.S. Technicians - 58
No. of Training Awards - 29
Host Country Contribution - $1,655,000

LEBANON

LEBANON

I. RESOURCES AND NEEDS

Natural

The area of Lebanon is 3977 square miles - twice the size of Delaware. Less than half of this area (2 1/2 million acres) is cultivable, and only a fourth of it is under cultivation. The annual mean temperature is 68 - 70 degrees (Fahrenheit); the annual rainfall 35 - 40 inches. Most of this precipitation occurs in the winter months, and irrigation, therefore, is necessary in many areas. About 20 percent of the cultivated land is irrigated and another 20 percent could be irrigated to advantage.

The country is mountainous with a strip along the coast line and the Bekaa Valley lying east of the Lebanon mountains, consisting of the major agriculture area. The proximity of the Lebanon mountains to the sea provides unusual scenic resources, as well as a great contrast in local climate. Tropical fruits such as bananas and citrus are grown along the coast within a dozen miles from apples and other fruits in mountain orchards.

Agriculture is the basic economic activity in Lebanon and provides a livelihood for nearly two thirds of the population. The main crops are cereals (wheat and barley), leguminous crops (lentils, chick-peas and beans), industrial crops (tobacco and olives), and a variety of fruits. In 1952 exports of fruit represented 18 percent of the total exports, with oranges the main item, and apples and bananas next in order. The production of cereals is only 40 percent of the country's domestic requirements.

Lebanon appears to be without oil, but has small deposits of iron ore and asphalt. The limestone rock and related formations provide an abundance of building materials and ingredients for high quality cement.

Industries in Lebanon are mainly small. They include food processing, and the manufacture of cigarettes, matches, soap, leather, silk and cotton fabrics and cement. Two large oil pipe lines terminate in Lebanon; the ARAMCO Oil Pipe Line from Saudi Arabia in Sidon, and the Iraq Petroleum Company Pipe Line in Tripoli.

Human

The population probably exceeds 1,300,000, and there are in addition 125,000 Arab refugees from Israel. Moslems and Christians are nearly equally divided. Population increases 2 percent annually despite a considerable emigration. Density is about 375 per square mile, a little less than that of Connecticut. Literacy is the highest among the Arab States for Lebanon has been a center of higher learning for decades. Life expectancy is about 40 years. Disease, although less prevalent than in other Arab countries, is widespread. While the Lebanese economy provides a higher average standard of living for its population than that of most Arab countries, there is a wide disparity in the well-being among various economic classes.

Capital

The national income of Lebanon has been estimated at $237,000,000 in 1950. Of this amount, agriculture accounted for $50 million, industry $39 million, services $28 million, and construction $12 million.

The revenue of the Government of Lebanon in 1952 amounted to $50 million, $12 million of which was from import and export taxes, and $10 million from excise taxes and monopoly profits. GOL expenditures totalled $36 million, a fourth of which was for public works and a fifth of the total for defense.

Although Lebanon has a large unfavorable balance of trade (exports and imports), receipts from invisibles, largely tourist trade, made it possible in FY 1952 to balance foreign receipts and expenditures at a level of $154 million.

Lebanon has a free market for foreign exchange. Until recently rates have been steady; but since the Korean armistice the rate for the dollar has declined to LL 3.25, compared with LL 3.50 earlier. There are no loans to Lebanon from either the United States or other international lenders, but there are a number of foreign-owned industrial and financial institutions in the country. Local capital tends to be invested only in short term loans, and then only at high rates. Lebanon does not have a central bank of its own, the central banking functions being performed by the French controlled concessionary Bank de Syrie et de Liban whose head office is in Paris.

Beirut is a port of call for the main ocean shipping lines to the Middle East and a network of asphalted, all-weather roads connects it with all parts of Lebanon, and with Damascus. Railways also connect Beirut with interior cities, and the Beirut airport is the finest in the area. Many Americans and European manufacturers and distributers have their Middle East headquarters in Beirut.

II. GENERAL SITUATION

a. Lebanon is a small country on the eastern rim of the Mediterranean. It is bounded on the north and east by Syria, with which it was united until 1920, and on the south by Israel. It has a coastline of approximately 120 miles, and two narrow mountain ranges run parallel to the sea. Between these two ranges is the fertile plateau of the Bekaa, an agricultural plain, and in the north the plain of the Akkar which borders on Syria. Rugged terrain and the poor seasonal distribution of rainfall limit the amount of arable land. About 40% of the inhabitants live in the cities and towns which are primarily commercial centers located along the coast. It is here also that most of the money-lending and land-owning class representing the educated and politically articulate element in the nation live. Between this small elite group of wealth and the large masses of the people, there is a widening gap in standards of living. This economic class cleavage

further complicates the social structure, which is already widely split by the religious differences between the almost equal numbers of Moslems and Christians.

Of the working population, about two-thirds are directly or indirectly engaged in agriculture. Within this group is a great amount of "disguised unemployment"; perhaps a third of the total. Whatever the amount, it is clear that the same output in this field could be produced with a much smaller number of agricultural laborers. Small industry employs roughly 40,000 persons and another 40,000 to 50,000 are chronically unemployed. Agriculture in many areas of Lebanon is characterized by low productivity because of poor soil, inadequate rainfall, antiquated farming methods, and destructive land use practices. In these areas extreme poverty and its concomitants, undernourishment, poor housing, bad sanitation, and disease are to be found. Migration to the cities brings little change in the condition of the poorer people. Life for them in the cities is characterized by sub-marginal wages, unemployment, slums, and disease.

The major factors hindering economic development in Lebanon, aside from the lack of natural resources, are lack of reasonable credit facilities for agriculture and industry; control of financial resources by a small group of traders and commercial interests who appear loath to invest their money in local productive enterprises; and lack of effective governmental planning and construction of development works. The hope for the future, despite these handicaps and the increasing population pressure, lies in harnessing the major natural resource in Lebanon, (i.e. the Litani and other rivers for irrigation and power); constructing irrigation and village water systems; and undertaking a program to eradicate the present deficiencies in health and education. The undertaking of such measures, coupled with efforts to channel local wealth into productive enterprises, would help considerably to alleviate distress and poverty among the people of Lebanon.

b. Lebanon is materially and culturally more advanced than most other Arab countries, and the ideas and outlook of its leaders are generally much closer to the West.

Lebanon has always welcomed foreign investment and concessionnaire companies, mostly French, in the past, have played an important role in its economy. There is at the present time a sincere desire among Lebanese leaders to encourage foreign investors but because of the need of the Government for revenue and because of the delicate political balance foreign frims sometimes are put under pressures which discourage the inflow of foreign funds even from Lebanese emigrants who have made fortunes in other parts of the world.

Other Technical and Financial Programs

United Nations:

At the end of April 1953, technical assistance of United Nations Agencies in Lebanon was as follows: UNTAA, Housing, 1 expert; UNESCO, Teacher Training, 2 experts; ICAO, Civil Aviation, 4 experts; WHO, Maternal and Child Health, 3 experts; and WHO, Public Health Administration, 1 expert. The total number of experts for Lebanon was 14.

Early in 1953 regional representative of the International Bank for Reconstruction and Development also spent some time in Lebanon. He was here at the invitation of the President of the Republic, and his purpose was to prepare a report on banking in Lebanon for the IBRD and the President. More recently a special representative of the Bank spent three weeks in Beirut to determine the possibility of establishing an industrial development bank in Lebanon. The report recommends formation

of an industrial development bank with LL 5.7 million in assets of which the IBRD would provide half. It is now under study by the GOL.

Private Organizations:

Beirut is the Middle East headquarters of the Ford Foundation and the Near East Foundation. There are also a number of religious mission groups who conduct educational and charitable activities.

The Rockefeller Foundation has made an annual contribution to the American University of Beirut School of Medicine and Hospital for many years but this also is a regional project in that students and patients come from all sections of the Middle East.

Other U.S. Agencies:

Beirut is the headquarters of the USDA Locust Control Group in the Near East; The United States Treasury Representative for the Middle East; the Chief Adviser, Civil Aeronautics Administration; the United States Representative, ADCOM - UNRWA; the Near East Regional Center, the FSI Language and Training Center; and the United States Information Service.

III-THE PROGRAM

A. General plans and objectives.

Underneath the facade of the beautiful scenery and the cosmopolitan atmosphere of Beirut, Lebanon is found to possess an abnormal concentration of acute problems. And because Lebanon is the only Arab country with a population balanced between Christians and Moslems and is physically a major point of entry into the Arab Near East, it constitutes an important bridgehead to this area in the demonstration of Western techniques and the development of better understanding between the two cultures.

A summary of Lebanon's problems would include 1) Over-population and under-utilization of meager land resources resulting in widespread unemployment and migration to the cities; 2) Political instability, with a delicate balance between the various Christian and Moslem sects, and a hodge-podge of smaller vested interest groups representing strong nationalistic tendencies, feudalism and closer union with Syria; 3) An inefficient governmental administration, still distrusted by the people after the corruption of the earlier regime, and with only ten years of experience as an independent government after centuries of foreign rule and more recent mandate control; 4) A strong suspicion of foreigners; and 5) A basic lack of self-confidence, spirit of cooperation, and feeling of responsibility.

The principal objectives of the program are 1) to help the Lebanese Government act as a responsible force for improving the economic conditions of the country by training its technicians, giving them competence, self-confidence, and a service motive as public servants, and actual practice in operating programs in the economic development field; 2) to select and assist in field projects which will result in widespread benefits to the small farmers, and will result in fuller use of existing resources, to provide water for drinking, irrigation and power; 3) to recreate the spirit of initiative and cooperation by communities which is amply demonstrated by individuals in the widespread terracing of the mountain slopes; and 4) to combat the negative effects of communist propaganda and the Palestine problem by demonstrating American goodwill and a genuine interest in the welfare of the people.

It is significant that there have been no development projects by the Lebanese Government during the last year and a half except those begun in cooperation with the US program. There now appears to be a gradually developing momentum as results begin to show and as government officials and citizens alike begin to understand the philosophy of aided self-help and to catch the spirit of service.

The program is concentrating on water resources development and agriculture, because improvements in these fields meet felt needs of the largest numbers of people, and give greatest promise of rapid increases in productivity and income. The preparation of the Litani River basin plan, to be completed this fall after two years of work, sets the stage for early construction on this largest river in Lebanon, and will make possible substantial increases in irrigated land and a trebling of Lebanon's electric power production. Related projects provide for integration of the water development schemes for the rest of the country and for the provision of drinking water from wells and springs for the inhabitants of many rural villages. This last project, nationwide in scope, is one of great popular appeal. The project will elicit maximum participation by the communities themselves.

In agriculture, a broad program of livestock and poultry improvement, extension and experimentation, improved marketing, and refores-

tration is well underway. The joint effect of these projects is already evident in increasing the food supply and may stem the migration from farms to cities by making it possible for farmers to earn a better living where they are. Although Agriculture is USOM/L's most successful functional activity at present, the cooperative agriculture program has not yet been successful in establishing demonstrations of improved and supervised farm credit, a field needing greater attention.

An active public health demonstration program supplements the agriculture program in rural areas, with field training of sanitarians and nurses and a multi-village campaign of DDT spraying, garbage disposal, privy construction, immunization, and maternal and child health. Again the emphasis is on encouraging the villagers to help themselves. The education program in Lebanon is aimed primarily at vocational and technical training and teacher training. Three rural areas have been selected as demonstrations of an intensive program of agriculture, health and education to maximize local participation and community leadership in rural improvements.

Lebanon has considerable potentialities for light industries and handcrafts, particularly those relating to the processing of the wide variety of agricultural products. An Industry Institute has already been established as a part of the program, and is beginning to help Lebanese industries with their technical and management problems. The development of additional electric power, referred to above, will stimulate light industrial development.

While Lebanon is predominantly a rural country, it has for thousands of years been a center of trade and commerce. The USOM/L program is designed to build up the basic productive capacity of the land and the people and to make the economy less dependent on commerce and foreign remittances from the hundreds of thousands of Lebanese who have emigrated to other countries. The possibilities of emigration have been drastically reduced in recent years, and a strong national development effort is necessary to maintain economic and social progress which the Lebanese have so far been able to attempt through democratic means. Without solid American support, this effort is not likely to succeed.

Related program activities designed to help the Lebanese Government are perhaps as significant in the long run as the direct field operations described above. These include successful efforts to help establish an Economic Development Board responsible for overall economic planning; the creation of a four-year water resource development plan and budget (24 million LL) for domestic water supply, and a movement which may soon lead to the establishment of an Industrial Bank, an Agricultural Bank, and a Central Bank. With these institutions in operation and with continued efforts to create a more favorable environment for private investment, American and local capital may be able to play a larger role in developing the economy than heretofore.

There is no question that a vicious circle has existed comprised of (1) a state of frustrated economic development, (2) acute popular dissatisfaction, (3) governmental impotence and (4) political instability. Left to themselves, the Lebanese are unlikely to rectify the situation through democratic procedures. The US program, within its scope, is attempting to help break this paralyzing circle, at points (1) and (3).

B. Chronology of Agreements

May 25, 1951	General Agreement Signed
June 26, 1952	Program Agreement Signed
April 14, 1953	Amended
	Project Agreements

Activity and Sub Activity	Project No.	Date Signed
AGRICULTURE:		
Extension	01-01-01	January 12, 1953
Horticulture	01-02-01	" " "
Agronomy	01-02-02	" " "
Animal Husbandry	01-03-01	" " "
Poultry	01-03-02	" " "
Veterinary	01-03-03	" " "
Irrigation	01-04-01	" " "
Marketing	01-08-01	" " "
Administration	01-58-01	" " "
Credit & Cooperatives	01-58-02	" " "
Farm Machinery	01-59-01	" " "
FORESTRY:	02-58-01	January 12, 1953
HEALTH AND SANITATION:		
Demons. Urban H. Center	04-11-01	September 30, 1952
Central P.H. Lab.	04-11-02	August 27, 1952
Demons. Nursing School	04-14-01	September 3, 1952
H. & Vital Statistics	04-36-01	January 30, 1953
Vital Registration	04-36-02	January 30, 1953
Ext. of H. & Medical Services to Villages	04-58-01	August 7, 1952
EDUCATION:		
School Health	05-11-01	March 9, 1953
Demons. Elem. School	05-17-03	June 22, 1953
Adult Edu. & English	05-20-01	March 9, 1953
Education Statis. & Research	05-57-01	March 9, 1953
NATURAL RESOURCES:		
Kasmie Construction	07-04-01	February 16, 1953
Litani River Basin Investgs.	07-57-01	February 24, 1953
Kasmie Rural Improvement	17-58-01	February 16, 1953
Kasmie Rural Comm. Service Training Center (AUB)	17-58-01A	July 10, 1953
Sanneen Rural Improvement	17-58-02	June 9, 1953
Village Water Supply	17-04-01	October 2, 1953
Water Reconnaisance Survey	07-57-02	October 2, 1953
INDUSTRY & TOURISM:		
Industry Institute	09-57-01	March 2, 1953
Rural Statistical Surveys	16-36-01	November 5, 1952
SOCIAL AFFAIRS:		
Housing Demons.	13-01-01	August 25, 1952
Young Leb. Artisan School (Kurtbawi)	15-18-01	April 16, 1953
Y.W.C.A.	15-32-01	March 21, 1952
COMMUNICATIONS:		
Air Navigation	11-26-01	June 29, 1953
Joint Plan. & Economic Develop.	12-57-01	January 12, 1953

C. Financing and Organization.

Although the General Agreement for Technical Cooperation between the Government of the United States and the Government of Lebanon was signed May 29, 1951, it was not until over a year later June 26, 1952) that the Program Agreement was signed; and not until mid-January 1953 that any substantial number of project agreements were concluded.

U. S. Funds obligated by June 30, 1952 amounted to approximately $600,000, out of the $3,100,000 provided in the Program Agreement. During Fiscal Year 1953 an additional $1,400,000 was obligated. No additional program funds were allocated to Lebanon in that year. The carryover of program funds from Fiscal Year 1952 into FY 1954 approximates $1,100,000, which together with the Fiscal Year 1954 authorization for program activity of about $1,800,000 provides USOM/Lebanon with about $2,900,000 for programming during the current Fiscal Year, exclusive of the costs of US technicians.

Government of Lebanon contributions to Point Four activity in Lebanon to date have been nominal except in agriculture when the pledged contribution has been exceeded. This is largely due to the fact that with two changes of governments this year, the calendar FY 1953 budget has not yet been approved by the Parliament (as of September 30). The agriculture budget was passed in special legislation. The GOL 1954 (January 1-December 31) budget for the cooperative program will be larger. As of September 30 this 1954 budget had not yet been presented to Parliament for action.

D. Relation to other U. S. Programs

Beirut is headquarters for a number of United States Government activities in the Middle East. USOM/Lebanon works closely with all those agencies where there is a community of interest. Specific mention should be made of the following:

a. The Air Navigation Project described below in III, A, 6-(4) is being implemented by the Chief Advisor, Civil Aeronautics Administration, in Beirut;

b. USOM/L has provided office space for the U.S.D.A. Locust Control Group in the Near East and works closely with it, particularly in respect to the part Lebanon plays in this regional program;

c. USOM/L representatives have worked closely with the US Treasury Representatives, with representatives of the International Bank for Reconstruction and Development, and with Lebanese studies of banking in Lebanon; and

d. The U. S. Information Service and members of the staff of USOM/L have worked together closely on many problems, especially those relating to press and radio.

COUNTRY LEBANON

TABLE VII

APPROPRIATION FY 1955

OBLIGATIONS BY ACTIVITY AND COST FACTORS
Fiscal Years 1953, 1954 and 1955
(Thousands of dollars)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
Agriculture and Natural Resources						
1953	403					
1954	1736	325	560	12	58	793
1955	1191	366	458	12	48	319
Health and Sanitation						
1953	65					
1954	320	46	133	6	30	111
1955	282	17	140	6	30	95
Education						
1953	50					
1954	236	54	74	4	20	88
1955	268	60	74	4	20	114
Transportation and Communications						
1953	—					
1954	37	16	11	--	--	10
1955	--	--	--	--	--	--
Industry and Mining						
1953	15					
1954	307	42	36	5	25	204
1955	227	16	37	2	10	164
Public Administration						
1953	—					
1954	61	4	11	5	7	39
1955	59	3	12	5	7	37

LEBANON (Continued)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
General and Community Development						
1953	40					
1954	130	13	60	2	10	20
1955	540	—	38	-	--	502
Total						
1953	573					
1954	2800	500	885	34	150	1265
1955	2567	462	759	29	115	1231
Memorandum Contractual Services						
1953						
1954						
1955		35				

Detail not yet available for 1953.

October 22, 1953

AGRICULTURE AND NATURAL RESOURCES

Total U.S. Cost - ₤1,191,000
No. of U.S. Technicians -32
No. of Training Awards - 12
Host Country Contribution -
$845,000

Objectives: To assist the farmers through the Government of Lebanon in (a) increasing the production and quality of livestock, food and fibre products, (b) improving methods of marketing these products, and (c) building of an effective extension organization. To develop electrical power for domestic and industrial use; to expand irrigation; and to provide drinking water for villages and towns.

Problems in the Field of Activity: Much agricultural output in Lebanon is characterized by low productivity. In part this is due to inadequate rainfall and poor soil, but largely it is the result of antiquated farming methods and destructive land use practices. Agricultural credit is not adapted to needs of farmers and is in short supply; agricultural marketing methods are rudimentary. With respect to natural resources, there are three primary problems: (a) to develop fully the resources of the Litani River basin for irrigation, and for maximum power development at minimum cost; (b) to extend irrigation in other areas of Lebanon; and (c) to develop village water resources in all areas.

Existing Programs: The Government of Lebanon has never appropriated more than 5 percent of its budget to agriculture although more than half its people are dependent on agricultural production. Much of this money has, in the past, been expended ineffectively. As a consequence, the program of agricultural assistance is limited in scope. In addition to the work of the GOL in agriculture, the French have carried on some experimental work, especially in fruit production and in soil classification and management. The Government of Lebanon has a four-year plan for the development of water supplies for Lebanon as a whole. For this purpose it has appropriated LL 24,000,000 (about ₤6 1/2 million). FOA cooperates with the GOL on this program. In the case of village water resources development the villages also cooperate by providing land and labor.

Local Organization: FOA has recruited a staff of agricultural technicians, one for each of a dozen special fields of work. Within the GOL Ministry of Agriculture counterparts for each of these technicians have been provided or will be selected as soon as qualified persons become available. The Minister of Agriculture and Director General, together with the FOA agricultural staff chief, lay out the general program of cooperative work to be done, which is carried out by the several United States technicians and their counterparts within the limits of program funds available. FOA has assumed major responsibility in the case of the Litani investigations; all other work is and will continue to be in cooperation with the GOL.

Major Activities in FY 1955

Extension - Crops and Farm Practices - $308,000

Continue program of farm demonstration and experiment station work to improve forage, fruit and vegetable crops, and the adaptation, use and care of farm machinery; to prepare and distribute information in farming methods; and to demonstrate improved insect and disease control.

Extension - Livestock - $170,000

Conduct demonstration and experimentation and training in livestock improvement through actual operation of a dairy; management of breeding centers; artificial insemination; experimental feeding of dairy and beef cattle and poultry.

Land Use - $135,000

Conduct demonstration and training program in improving land utilization by demonstration of improved irrigation and drainage; reforestation, and terracing methods.

Credit and Marketing - $115,000

Continue program for improving marketing practices and facilitating trade through organization of cooperatives for milk distribution; improving methods in fruit packing, exporting and marketing; use of packing machinery; and development of an agricultural credit system in selected areas.

Progress to Date

The experiment station and demonstration center at Bekaa Valley is in operation, three other substations also demonstrate findings to farmers. Demonstration of cotton dusting increased yield by 30 percent. Demonstration of hybrid corn increased production significantly and provided better forage.

Dairying in Ministry barn is in operation; also breeding center. Artificial insemination program laid out. Experimental feeding of cattle is continuing. Pure bred bulls placed at 15 villages.

Reforestation demonstration is under way at "the Cedars" and on 250 acres provided by Lebanon Government in other areas. Demonstrations of terracing and leveling have been conducted. Simple farm machinery has been demonstrated to villagers, with many of them adopting these new machines on their farms. New irrigation techniques demonstrated and adopted by numerous villagers.

Material has been assembled on the basis of existing credit and marketing facilities. Mechanical fruit grader has been used in commercial packing house for first time; sales price was favorably affected, especially in relation to citrus fruit sales in Europe.

Kasmie Construction Project - $43,000

This activity involves the completion of an irrigation system the major part of which was constructed by the GOL. It is part of the program of rural improvement (see Kasmie Rural Improvement project below) in the Kasmie area of Lebanon.

The completion date is June 1955. Contracts for main canals have been let and approximately 1/3 of construction is completed. Subsidiary canals under construction.

Later Reconnaissance Surveys: - $215,000

A cooperative project with GOL to investigate and report on the water resources of Lebanon, excluding the Litani River basin.

Initiated in FY 54.

Village Water Supply Project - $205,000

To demonstrate small village-type public works, and to assist the GOL in planning and constructing individual projects of this type.

Five wells have been drilled and engineering plans prepared for village units. Project initiated in FY 54.

HEALTH AND SANITATION

Total U. S. Cost - $282,000
No. of U. S. Technicians - 12
No. of Training Awards - 6
Host Country Contribution - $136,000

Objectives: To increase the effort on the part of both the Government and the people for the provision of more adequate health services; to carry on demonstration projects and train local technicians in establishing minimum standards for preventive health services.

Problems in the Field of Activity: High prevalence of communicable diseases and the inadequacy of preventive health services.

Existing Programs: The Ministry of Public Health is spending less than 20% of their budget for public health and preventive medicine activities as compared to 80% for medical care. Evidence for the need of expansion of such activities is reflected in the high incidence of preventable diseases.

Local Organization: Operations are carried out by Ministry of Health technicians assisted by counterpart U. S. technicians.

Major Activities in FY 1955

Municipal Sanitation - $44,000

To provide advisory service on municipal sanitation and production of plans and specifications for construction of municipal plants such as sewerage plants for Tripoli, Baalbek, Bhamdonn and Zahle, abbatoir, garbage and refuse disposal plans for Beirut. Construction costs to be borne by host government.

Demonstration Urban Health Center - $16,000

To demonstrate the role of efficient health practices in raising the standard of health of the urban population, to increase the demand on the part of the public and the government for extension of such services and to provide training for health workers and trainees.

Public Health Laboratory - $25,000

Training and advice in the operation of a Central Public Health Laboratory, equipped and organized under prior year programs, establishing Public Health Laboratory services for all physicians and health agencies in Lebanon.

Demonstration Nursing School Project - $50,000

Continuing staffing of key personnel in School of Nursing, to provide basic nursing education leading to a diploma in nursing, affiliation facilities for existing smaller schools of nursing in Lebanon and an in-service education program for graduate nurses.

Progress to Date

Preliminary data being obtained on existing sewerage facilities in three Municipalities pending allocation of FY 54 funds.

The center was initiated in Beirut during FY 53 and is carrying on a generalized public health program as well as serving as a field training center for health workers and trainees.

All the equipment has been requisitioned and approximately 60% of it has been delivered. Site for laboratory building has been made available in Beirut by the Government of Lebanon, plans have been completed and beginning of construction awaiting appropriation of funds by Government of Lebanon.

Construction of housing and class-rooms for nurses nearing completion as is construction of affiliated hospital. School officially opened with 45 students in temporary quarters in the hospital October 15, 1953.

Health and Vital Statistics - $58,000

Continuing assistance to the Ministry of Health in the establishment, operation and development of a National Health and Vital Statistics Office, national registration system of still-births and local health center, Health and Vital Statistics Office development. Continuing assistance to the Ministry of Interior in the establishment, operation and development of the National Vital Registration system for births, deaths, marriages and divorces and to establish a continuous system for checking and maintaining completeness and accuracy of such registration. The effective completion of the Health and Vital Statistics and this project will provide the Republic of Lebanon with information which is vital to its basic development.

Office established within Ministry of Health with minimum personnel and equipment necessary. A national committee on vital and health statistics has been established. Original birth and death certificate forms redesigned and printed. Limited amount of equipment supplied and agreement reached to cooperate with the Ministry of Health by providing micro film copies of birth and death certificates. Full-scale operations began in FY 54.

Extension of Health and Medical Services to Villages - $89,000

Continuation of demonstration to improve the health and sanitary conditions in a rural area and to demonstrate to those responsible for public health what can be done by modern public health practices and to create a desire on the part of the public to participate in and demand extension of such programs. The Center will also provide rural field training of public health trainees and workers, for assignment to other areas.

Health Center has been operating since December 1952 in Chtaura, in the Bekaa Valley, and one sub-health center jointly financed by the local community has been in operation since August 1953. Five sanitation programs jointly financed by villages are underway. Control of preventable diseases also being emphasized through immunizations and health education. All public health nursing and sanitarian trainees from AUB training program have received field training at the Center.

EDUCATION

Total U. S. Cost - $268,000
No. of U.S. Technicians - 6
No. of Training Awards - 4
Host Country Contribution - $361,000

Objectives: To assist the Lebanese Government in formulating and organizing an educational program which will contribute to improvement of the social and economic status of the Republic. Principal immediate objectives are teacher training, technical education and curricula development.

Problem in the Field of Activity: Education in Lebanon is hampered by an education pattern that is classical in nature, and unrelated to needs and opportunities of the populace. Inadequate finance for personnel, and physical facilities is an imposing problem. School census data relating to enrollment, information on buildings, finance, occupations, etc., has been non-existent. Sectarian groups sponsor most of the secondary education and a part of elementary education. Political and religious interests in education create difficulties in coordinating efforts for improved procedures.

Existing Programs: The Ministry of Education has jurisdictional supervision over all schools in Lebanon. Ford Foundation, U.N.R.W.A.,Presbyterian Mission, Seven Day Adventists, American University, Y.M.C.A., French University are among foreign organizations contributing to educational endeavor in Lebanon. Groups within the country are primarily divided into Roman Catholic, Armenian, Greek Orthodox, French Jesuit, Sunnite, Shiite, and Druze. There are also a few private non sectarian organizations. The U.S. Mission endeavors to coordinate contributing activities with consent of the GOL Ministry of Education.

Local Organization: FOA/L has a staff of education technicians for special phases of work, who can also interchange responsibility and serve as a team. Each technician is responsible for training counterparts who can serve the Ministry after FOA/L has completed its service. The Minister and Director General of Education plan work phases of the cooperative program in the light of needs recognized by the Ministry, and with recommendations of technicians within the scope of funds available.

Major Activities in FY 1955

In-Service Training, Statistics, Teacher Training - $201,000

Continue Health Education Seminars for training of public school teachers; continue statistical survey obtaining basic data on school population, occupations, finance, buildings and teacher standards; continue staff assistance and teaching materials for Urban and Rural Teacher Training Centers, to be initiated in FY 54.

Technical Education - $67,000

Continue program of strengthening present GOL vocational schools by in-service training, demonstration instruction, and provision of equipment and materials. Introduce home economics, crafts, industrial arts, commercial training and trade training into present curriculum of government and private schools. Assist private schools when sanctioned by GOL.

Progress to Date

Successful completion of first summer training seminar in Health Education. Forty-nine teachers provided health teaching techniques, visual aids and instructional materials. Survey work in progress indicating enrollments of private schools. Filing and tabulating system installed in offices GOL Ministry of Education. Preliminary planning for Urban and Rural Normal Schools.

Preliminary plans for revision of Arts et Metiers (GOL vocational schools) submitted at request of Ministry. Plans provided for apprentice training and adult education. Curricula proposals provided for Industrial Arts and Home Economics in elementary and secondary curricula. Instructional materials and building plans provided. Young Lebanese Artisans School addition near completion;

equipment provided. On October 15, 450 orphans will begin training. Day to day consultation provided by FOA technicians.

MANUFACTURING & INDUSTRY (INCLUDING LABOR AND TRADE)
Total U. S. Cost - $227,000
No. of U. S. Technicians - 3
No. of Training Awards - 2
Host Country Contribution - $135,000

Objectives: To provide technical assistance related to problems involved in expanding small industry and improving labor conditions in Lebanon.

Problems in the Field of Activity: Manufacturing and industrial establishments in Lebanon are largely small scale. Many of these small scale establishments could benefit greatly by technical assistance and research. Labor also is poorly organized to secure for itself the benefits accruing to workers in more advanced states. Both industry and trade are in need of better credit facilities.

Existing Programs: GOL assistance to industry, trade, and labor is small in amount and poorly organized.

Local Organization: Operations to be conducted by USOM/L will be in cooperation with various GOL and private agencies as indicated below.

Major Activity in FY 1955	Progress to Date
General Technical Services in Industry - $15,000	
To provide technical studies in the various fields of industry.	The Industry Institute has been organized, has established its laboratories and is functioning on four problems presented by industrialists. Studies made at requests of various industrial enterprises.

Industry Institute - $138,000

Continue to provide technical services and guidance to Lebanese industry through assistance to the Industry Institute. This organization, in which FOA, GOL, and Lebanese industrialists cooperate, acts as a clearing house for technicians and for research and advisory services.

The Institute is a functioning corporate body which is expected to be able to operate without further assistance from FOA/L within four years.

Labor Training - $74,000

FOA/L cooperating with GOL, will assist labor unions in providing union members with health, educational and other services.

Signing of project agreement delayed until arrival of U. S. labor technician, to be initiated in FY 54.

PUBLIC ADMINISTRATION
Total U.S. Cost - $59,000
No. of U.S. Technicians - 1
No. of Training Awards - 5
Host Country Contribution - $28,000

Objectives: To continue in assisting the Ministry of National Economy, in accordance with Lebanese law and practice, in the operation of an office staffed and equipped to conduct economic and statistical surveys.

Problems in the Field of Activity: Basic data are lacking in all economic and social fields in Lebanon. All technicians in the field are in critical need of these basic data as a basis for sound planning.

Existing Programs: The Ministry of National Economy has an office of General Statistics that publishes a quarterly booklet on economic conditions in Lebanon. To date they have been restricted to imports, exports, and rough estimates of production. The Ford Foundation and AUB have economic research units. They have largely restricted their inquiries to urban problems. Cooperation with them has been established, duplication avoided, and results of surveys exchanged. Economic research of UN agencies is largely regional in scope. Liaison has been established and duplication of effort avoided.

Local Organization: The Statistical Surveys Office operates as division of the Central Statistical Service in the Ministry. Administration is carried out jointly by the Director of the Service and a FOA Economist. GOL employees work with employees of FOA.

Rural Statistical Surveys - $9,000

The work of the Rural Statistical Surveys Project is divided into two phases. Phase one now underway aims at training Lebanese personnel in securing field data, in tabulating it, and analyzing it. Phase two of the project is intended to be an agricultural census of Lebanon.

Progress to Date

A village survey record has been obtained from each of the approximately 1650 villages of less than 5000 population in Lebanon. Data obtained include population, land, area, land use, major sources of income, number and kind of business establishments, schools, and considerable other basic information. These data were used in producing the printed bulletin, "Village Survey - Hasmie Rural Improvement Project" dated January, 1953. Tabulation is proceeding for the balance of the country.

Farm surveys have been obtained on 176 farms in the Bekaa in connection with the Litani River Investigations. Work is now in progress to utilize these data in a report on the feasibility of irrigating that area.

About 50 Lebanese have been trained in methods of collecting data by field survey methods. These men will be available to lead up the census enumeration job when it is undertaken. Of these 50 about 20 have also been trained in office tabulating techniques.

General and Community Development

Total U. S. Cost	-	$70,000
No. of U. S. Technicians	-	4
No. of Training Awards	-	-
Host Country Contribution		$150,000

Objectives: To demonstrate in selected geographical areas the value of integrated effort in the solution of social and economic problems, and to provide assistance in fields of agriculture, health, and education.

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Problems in the Field of Activity: In three selected areas, to raise the level of life by an integrated attack on the causes of poverty, disease and illiteracy.

Existing Programs: No similar approach utilized by GOL or other agencies

Local Organization: Primary responsibility for conducting the program rests in a council on which both the GOL and USOM/L are represented. This council determines, after consulting with local representatives, the nature of the work to be done by the various experts, the funds to be utilized, etc.

Audio-Visual Service: - 50,000

To provide audio-visual and information service for the several fields of FOA activity.

Program fully activated

North Lebanon Rural Improvement Program - $490,000

This project will be located in North Lebanon where an integrated program of agriculture, health and sanitation, and education will be demonstrated.

Preliminary negotiations have evidenced Lebanese active interest to begin this type of project in that area. The Kasmie and Baneen rural development program have spurred this interest. Project to begin in FY 1955.

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SAUDI ARABIA

Total U.S. Cost - $1,669,000
No. of U.S. Technicians - 45
No of Training Awards - 31
Host Country Contribution - $4,656,000

I. RESOURCES AND NEEDS

Natural:

Saudi Arabia occupies the greater part of the Arabian Peninsula having an area of over 600,000 square miles. Severe climatic conditions characterized by high temperatures, light rainfall and periods of drought place limits on the habitable and arable areas which probably make up less than 5% of the total land area. As for ages past, semi-nomadic tribes wander over vast areas seeking grazing lands and water for their flocks of goats, sheep and camels.

Water resources are extremely restricted. In the eastern region water from underground sources supports several large oases as El Kharj, the Hasa Oasis, Qatif, Dammam, etc. The mountain regions of the southern province of Asir receive perhaps 9 inches of rainfall yearly, with the coastal plains (Tihama) benefiting from the subsequent floods. As the Nejd and the Hejaz are areas of great water deficiency, the search for new water sources is constant.

Agricultural statistics are of the crudest. 1951 estimates show 161,000 acres planted to such cereals as wheat, barley, millet, sorghums and rice, and 10,000 acres to vegetables. There are an estimated 9,000,000 date palms producing 150-250,000 tons of dates yearly. Animal products - milk, meat, fat and butter - are produced from goats, sheep and camels. Cattle are negligible save in Asir. Saudi Arabia is not self-sufficient in foodstuffs and must import great quantities of grains and other basic food necessities. The mass of her people are amongst the poorest nourished people in the world. Dickson, an authority on the Arabs, says they are always hungry. The only important cash crop is dates.

Saudi Arabia is one of the world's leading oil producers. The eastern fields of ARAMCO produced over 300,000,000 barrels in 1952. The same fields produce great quantities of natural gas. A project to use these gases to make fertilizer is currently under study.

To date, Saudi Arabia has not proven rich in other minerals. For some years the Saudi Arabian Mining Syndicate's mine at Mahab el Dahab yearly produced an estimated $1,000,000.00 worth of gold concentrates and small amounts of other minerals. However, the mine is slated to be shut down shortly. At Muwaig exploratory operations costing upwards of $3,000,000.00 were carried out by SMG but did not result in paying quantities of ore being found.

Human:

Saudi Arabia's population is estimated at 3,500,000, with other estimates running between 2,500,000 to 6,000,000. Density estimates go from less than 5 up to 10 persons per square mile. All such figures are based on the crudest of estimates. Urban-rural estimates are as follows: city dwellers between 15-20%; settled cultivators up to 70%; bedouins-nomads from 15-25%.

The illiteracy rate is probably somewhere between 85-95%, with education, even in its most elementary stages, still unavailable for the mass of people.

The general health situation is bad. Malnutrition is widespread and is a characteristic condition of the vast majority of the people. The incidence of malaria, trachoma, venereal diseases, tuberculosis and intestinal diseases is high. In most cities a start has been made towards improving sanitary and health conditions but much remains to be done. Rural areas are still as they were in ages past with a life span estimated at 30 years. Amongst the Bedouin probably only one child in six reaches maturity.

The bulk of the population continues to live in small, isolated settlements in wadis and oases cultivating the land and grazing flocks. Nomads live off the flocks. Cities with populations of between 50,000-150,000 are limited to Jidda, Mecca, Riyadh and Hofuf. City dwellers work as laborers, artisans, small shop owners, merchants and traders, in offices, and a small percentage as professionals. The government employs a large number in its offices, and the oil company and the businesses and small industries growing up about it yearly attract more people. There is a great lack of trained mechanics, carpenters, electricians, etc.

The mass of people are poor and live on a bare subsistence level. Per capita income is estimated at between $40 and $80. There is a slow growth taking place of a middle-class, composed of businessmen, traders, professionals, craftsmen, etc. The condition of the worker has probably worsened relatively as there has been an inflationary trend in recent years caused by the increase in the government's income. While labor regulations exist in skeleton form, they are, in general, not enforced. General labor in the cities earn 4-7 Saudi Riyal daily. In the interior such labor earns as little as 1 SR (approximately 28 U.S. cents).

Capital:

No reliable estimates exist for total national income. The government's income is probably over $200,000,000. This represents by far the largest part of the total national income. No reliable estimates exist for income derived from subsistence farming, herding, fishing, etc. Evidence obtained from contact with persons so occupied indicates an extremely low income level.

The Budget Decree of April 10, 1952 gave a figure of $190,000,000 for both government revenues and expenditures. The same budget was used for 1953. A very large percentage of the revenues come from the

oil industry with the rest from customs fees, taxes on gold and mineral concentrates, and Zakat taxes. Of these, customs duties are by far the largest. Principal expenditure items include: the King's household; tribal subsidies; government purchase of foodstuffs, automotive equipment, textiles, etc. for sale or free distribution; the Finance Ministry, Defense Ministry, Health Ministry and for construction of hospitals, quarantine buildings, government buildings, airports, roads, sewerage and water works, electric plants, etc.

Available trade statistics indicate that while in the past India and the Middle East supplied the bulk of imported goods, high prices and export restrictions in those regions, together with the recent availability of dollar exchange, have diverted much of this trade to the U. S. In 1951 the U.S. exported to Saudi Arabia a total of $51,270,919 worth of goods, including machinery and vehicles, textiles, metals manufactures, grains, sugar and food preparations. Oil revenues provide the foreign exchange for these purchases.

Formation of capital funds from local sources to be used for development purposes is slowly taking place. Customary practices such as the buying of real estate or participating in trading ventures, plus the lack of modern corporation laws, act as brakes on investment in industrial enterprise. Foreign capital, save for large-scale oil development and a gold mine, has not been attracted primarily due to unfavorable and uncertain government policies.

The establishment of the Monetary Agency has been a partial step forward towards regularizing financial transactions of the government. Despite its large oil revenues, the government frequently has to get advances on its quarterly oil payments in order to meet its obligations. An Export-Import Bank loan was partly used to cover payment of harbor and other development work. The Saudia Arabian money is freely convertible. Recently, paper certificates have been issued by the Monetary Agency for the use of pilgrims.

Roads are largely tracks or rough trails while paved or improved roads are to be found only about the oil towns, between Jidda-Mecca and 100 kilometers of the Jidda-Medina road. The Saudi Arabian Airlines, a government company, joins Jidda-Medina-Mecca-Riyadh-Hofuf-Dhahran. International air and sea travel is handled by a number of different companies. Interior travel is handicapped by bad land facilities resulting in regional isolation.

II. GENERAL SITUATION

With the bulk of national income going directly to SAG, the prime source of development funds is the government. This is particularly true in the case of funds needed to carry out such non-revenue producing projects. Outlays for these works are very large due to the fact that even as late as 10 years ago the country was very deficient in all such services and much still remains to be done.

That there is great need for such projects is recognized by the Finance Minister and some other officials. The budgets of 1952 and 1953 were considerably in excess of previous budgets, especially in the categories which might broadly be considered as being developmental. Out of a total budget of 757,960,158 Saudi Riyals, approximately 132,350,000 SR, or $33,000,000 could be attributed to such projects. These included a quarantine station, hospitals, government buildings, roads, the railroad, water and sewerage works, dams, etc. This is approximately 17% of the budget. Nothing appears to have been allocated for agricultural or industrial development in the actual budget. However, it is believed SAG has spent nearly $1,000,000 for FAO projects, particularly the Gizan-Tihama project.

As the budget is not presented in much detail, it is difficult to evaluate. To judge the results is even more difficult. The antiquated governmental structure where a king who still rules to a large degree as a tribal chieftan and where lines of authority are not clearly defined, makes disciplined planning and execution difficult. Recently,

the Crown Prince has been given greatly increased authority and there are indications that the former overwhelming importance of the Finance Ministry is to be curtailed. What the results of this change will be, cannot be predicted. Not only is proper organization lacking, but there is a great deficiency in trained personnel of all grades and types.

From time to time development boards or agencies have been decreed, but to date their influence has not been noticeable. As government income has increased in the past ten years, commitments and appetites have likewise increased. Instead of building up a reserve fund for future use and instead of careful budgeting and planning, spending would appear to have taken place in a haphazard, confused fashion. It is a situation where virtually everything is to be done and there are great numbers eager to participate in the doing. There are numerous sons and other relatives of the King, and their demands and needs are great.

Under these circumstances, it is remarkable that SAG has carried out the many projects it has in the last few years. But the need to expend a big percentage of revenues on all types of development projects remains. It is necessary to set investment priorities and to balance expenditures for permanent capital works with those of a recurring nature as in health, education and agriculture. The over-all need of building an educational system which will produce men and women prepared to work in all of the many phases of a modern economic society is perhaps of first importance.

FOA's future in large part should be to seek to channel these revenues into constructive and productive works. The stakes are enormous. Confronted by a people, who in the mass are poverty-stricken, illiterate and sick, the government has now for the first time in its history the means to improve the people's lot. If such does not take place, it is unlikely that internal stability can long be maintained. The ferment disturbing many parts of the Middle East

will probably sooner or later come to Saudi Arabia. Unless the Government has taken positive measures to improve conditions, the danger exists that the people will fall prey to some form of internal disorder or external pressure. Saudi Arabia is of great importance for its rich oil fields, the size of American investments with their annual large return to American stockholders and to the U. S. Government in the form of taxes, and in salaries to American employees. There is the strategic importance of Saudi Arabia, with its own and its neighbors' oil reserves lying virtually on the borders of Russia. It might also be noted that Iran and its confused condition lies just across the narrow Persian Gulf from the oil fields of Saudi Arabia and Kuwait. A stable Saudi Arabia, characterized by a strong, friendly people, with a government capable of carrying out required programs, is needed in this strategic yet unsettled part of the world.

Because of this country's backward state, the FOA program should go slowly towards bringing about fundamental changes. This means doing work in agriculture, health, education, natural resources, and also in public administration and transportation. There is always the danger of trying to do too much and it is difficult to pick priorities. Yet if the small program is to be effective to any degree, such choices must be made.

Resources - Internal and External:

Development funds from private sources can be expected to become more important in the future. Private investment in industry and productive works is taking place slowly. It is confronted by many difficulties such as are noted above. However, some small industries producing tiles, building materials, soft drinks, a modern printing plant, etc., have been started. Trading societies frequently have relatively large resources and these could be sources of funds if opportunities in industry presented the likelihood of returns comparable to those gained in other fields. The growth of small business and industry is centered almost entirely in the Eastern oil towns and about Jidda. Interior

Arabia still goes along largely as in the past. A date packing and exporting business is being promoted as a result of an FOA project. Other opportunities exist were risk capital available.

SAG has resorted to loans from the Import-Export Bank and private banks in the past to pay for certain projects. The government's policy of spending all or more than its income presents certain clear dangers. If oil production were to fall as a result of a change in world oil prices or demand, the resulting decrease in SAG revenues would be embarrassing, especially as no reserves exist. Endeavors to set up reserve funds have not been successful to date.

There are elements in SAG which recognize the dangers inherent in this situation. There is also recognition of the importance of attracting both local and foreign private capital. The recent request of SAG for an FOA expert in corporation tax law is indicative of the latter point. While to date the more nationalistic groups have been kept in check, there is ever present the danger that extremist elements might press for impossible terms if given free rein. This danger naturally does not make for an atmosphere conducive to private investment. One of the prime objectives of SAG policy might well be to promote private investment. Opportunities for the latter exist and will grow in the future providing the investor can have some assurance of stability and security.

These latter conditions are difficult to fulfill in a country undergoing the transition from a seminomadic-tribal society to a modern economic state in one or two decades. Guidance by FOA or any other U.S. Mission in these problems is thus a real necessity.

Special economic aid:

Up to the present ti e, Saudi Arabia has not been the recipient of any special economic aid. However, in view of the experience gained in the past two years, it is proposed that Saudi Arabia be granted such aid commensurate to her importance.

Justification of an FY 54 request for $3,000,000 for Special Economic Aid rests on the political and strategic position of the country and the importance this position has in over-all U.S. policy. SAG has long considered herself discriminated against in comparison with the treatment accorded other Middle Eastern nations. This dissatisfaction has been constantly stressed and in 1952 the Government was on the point of cancelling the TCA program.

It is true Saudi Arabia is more favorably situated as regards the size of government and national revenues than certain other Middle Eastern countries. However, in many respects Saudi Arabia is the furthest behind in general over-all development. Her deficiencies are obvious and consequently her needs are great. The government is attempting to do many things at once. The effectiveness of SAG's activity is limited by the nature of its organization. Frequently, projects which would have a positive effect on the economy of the country are neglected or ignored. Aid funds expended in such directions can have a generative effect and should help in hastening the modernization and over-all well-being of the government and the people.

Other Technical Assistance Programs:

WHO is represented by a small mission of 8 persons working on projects having to do with malaria control, VD control and the quarantine station program. The WHO contributes the salaries of the technicians and a certain amount of laboratory equipment and supplies. SAG provides housing, transport, local technicians and labor, etc.

FAO has a more ambitious program. One project deals with packaging and marketing dates, both for internal and external sales. This project has reached the point where SAG has purchased two small packing plants on the advice of the FAO expert, and operations under his direction have begun. It is planned that a corporation will be set up to operate

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these and other proposed plants. At first SAG will provide the funds but it is hoped that private growers will invest money so that the corporation will become a mixed concern. The possibility of foreign sales appears to be good. As dates are one of the staple Saudi crops, such a development would help to diversify the Saudi economy and also to provide an additional source of income.

A study of Red Sea fish has been carried out and there is some talk of a Prince and other Saudis undertaking the establishment of a modern commercial fishing concern.

The largest FAO project has been a land and water development scheme in Gizan, Asir and Tihama. Studies have been made over a 2-year period of vegetation, soils, geology, etc., by a varying number of experts. Several reports on these matters have been published by FAO. One report recommended dams, etc., at a cost of over $60,000,000. This was withdrawn and now proposals are for works costing an estimated $20,000,000 to irrigate a block of 10,000 hectares. Probably SAG has spent $1,000,000 to date on this project. Save for the mentioned reports, results have been slight. The region is isolated, has extremely hot and humid summer weather during which dust storms are a daily occurrence. Against the advice of people familiar with these conditions, an attempt was made this summer to begin land surveying and other field studies, and to establish a permanent camp. Unusually heavy rains, the bad weather, poor organization and lack of personnel made achievement of objectives virtually impossible. Experience would indicate that field work in the Tihama can only be profitably carried on from October through April. While the potential agricultural value of this region appears high, successful exploitation is dependent on thorough knowledge of conditions and careful long-range planning and organization. Financing of further work is uncertain. Funds were provided by SAG for 3 months' work. At this time continuance of the work is dependent on the supplying of additional money by SAG.

with the very many things required by the Arabian people, there is no need for duplication of effort on the part of FAO and other technical assistance programs. The Gizan project of FAO was aided at the beginning by geological studies carried out by FOA geologists.

III. [illegible] PROGRAM

The essential problem to be met by the FOA program in Saudi Arabia is to provide direction and stimulus to the Saudi Arabian Government in the technical and economic development of the country. While the SAG annual revenue from oil royalties is reported in excess of $200,000,000 there is, as yet, no soundly organized governmental system to control the expenditure of these funds in a disciplined manner to provide a maximum of economic development and improve living conditions for the population. The future stability and progress of Saudi Arabia are dependent on the ability of the Government to act constructively along these lines, since eighty per cent of the entire national revenue lies in governmental hands. The degree to which FOA can contribute to the objectives of development and stability rests largely on its ability to guide and persuade SAG to undertake certain developmental activities and pursue certain economic policies leading toward the maximum development of natural resources, the institution of sound administrative practices and the training of Saudi Arabian personnel in the essential technical services necessary to make Saudi Arabia a modern nation.

Due to the elementary state of development, it is necessary to place emphasis upon building up or improving services which only indirectly contribute to the economic development of the country. SAG's request for technical assistance in drawing up a $10,000,000 school development program is illustrative of this. Similarly in the Health Division, projects proposed have the end in view of guiding SAG into needed services and organizing them administratively so as to assure their proper functioning. In Agriculture, in addition to the effort to help increase food production, a prime objective is to strengthen the Department to the point where it can effectively help the cultivator and herdsman.

The Natural Resources program in its search for water and mineral resources is providing one of the needed foundations upon which to expand and diversify the present unbalanced economy. The public administration program has as its prime objective the strengthening of the Government's administrative and fiscal operations. The transportation and Communications program seeks to aid GSA in building a modern and efficient communications and transportation system.

Objectives to assist the Saudi Arabian Government are:

a. Increase and improve food production through research and improvement in crops, animals and land use, by improving drainage and irrigation practices and by extension work.

b. Develop commercial and industrial schools and training programs and provide technical assistance in the organization and growth of the over-all Saudi Arabian education program.

c. Improve health facilities and administration by strengthening the Health Ministry and expanding its activities through an immunization program, establishing a maternal- child health clinic and a public health laboratory center.

d. Make maps and geologic studies for water well drilling operations for populated centers and rural areas, study and map mineral deposits and determine commercial feasibility.

e. Modernize and improve administrative practices in public finance, customs and tariffs, draft corporation laws and regulations governing organization and operation of foreign and domestic companies.

f. Improve transportation and communications facilities by aiding in the installation of devices to insure safety of air travel and train

[illegible] technicians in use of such equipment by advising the Government on [illegible] special communication and transportation problems.

[illegible]

1. Agreement for the Technical Cooperation Program in Agriculture between the Government of the United States of America and the Government of the Kingdom of Saudi Arabia. 11/10/52

2. Agreement for the Technical Cooperation Program in Natural Resources between the Government of the United States of America and the Government of the Kingdom of Saudi Arabia. 11/10/52

3. Agreement for the Technical Cooperation Program in Transportation and Communication between the Government of the United States of America and the Government of the Kingdom of Saudi Arabia. 11/10/52

4. Agreement for the Technical Cooperation Program in Public Health and Disease Control between the Government of the United States of America and the Government of the Kingdom of Saudi Arabia. 12/13/52

5. Agreement for the Technical Cooperation Program in Education between the Government of the United States of America and the Government of the Kingdom of Saudi Arabia. 1/25/53

6. Agreement for a Cooperative Aerial Survey Project between the Government of the United States of America and the Kingdom of Saudi Arabia. 11/10/52

7. Agreement for a Cooperative Railway Survey Project between

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the Government of the United States of America and the Kingdom of Saudi Arabia. 11/10/52

c. Project Agreement for Rural Community Development Projects between the Government of the United States of America and the Kingdom of Saudi Arabia. 12/17/52

g. Project Agreement 1 Under Technical Cooperation Program in Public Health and Disease Control between the Government of the United States of America and the Government of the Kingdom of Saudi Arabia. To strengthen the Quarantine Services and to Enhance the Public Health Program of the Ministry of Health. 6/29/53

Financing and Organization

The Saudi Arabian Government has established a Liaison Office with a chief and staff to provide guidance and aid in planning and carrying out programs and projects. Despite difficulties created by the location of the Government in three cities, namely, Jidda, Mecca and Riyadh, contact between respective Division Chiefs and their counterparts in the Saudi Arabian Government grow closer with time. Much remains to be done with closer and more frequent contacts on the highest level necessary if TCA's limited resources are to produce maximum results. In this respect, the locating of technicians in Government agencies has only begun as in the Health Division.

To date the Saudi Arabian Government's financial contributions have probably been greater than those of TCA. So far only one joint project, the Commercial School, has been worked out. The elementary state of Saudi governmental bodies has not been favorable to the use of joint funds and cooperative services. However, with time the institution of such methods may become more feasible. Operations under such arrangements would give a clearer picture of the Saudi Arabian Government's contributions in funds, supplies, equipment, buildings, local labor, etc., will probably be between $1,500,000 to $2,000,000, and perhaps greater.

Relation to Other U.S. Programs

To date there has been no contact between this program and the military assistance programs being carried out as no opportunities have arisen for the same.

COUNTRY Saudi Arabia

APPROPRIATION FY 1955

TABLE VII

OBLIGATIONS BY ACTIVITY AND COST FACTORS
Fiscal Years 1953, 1954, 1955
(Thousands of dollars)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
Agriculture and Natural Resources						
1953/a	200					
1954	676	156	433	9	36	51
1955	912	325	523	11	44	20
Health and Sanitation						
1953/a	120					
1954	317	144	140	5	20	13
1955	241	65	147	6	24	5
Education						
1953/a	70					
1954	184	32	73	6	24	55
1955	232	33	134	8	32	33
Transportation and Communications						
1953 a/	425					
1954	188	61	76	6	23	28
1955	172	100	60	3	12	—
Public Administration						
1953/a	100					
1954	97	--	85	3	12	—
1955	112	—	100	3	12	—
General and Community Development Projects						
1953/a	650					
1954	—					
1955	—					

[redacted]

SAUDI ARABIA (Continued)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
Total						
1953/a	1565					
1954	1462	393	807	29	115	147
1955	1669	523	964	31	124	58

Memorandum	Contractual Services	Joint Funds/b
1953	1202	—
1954		58
1955		18

a/ Detail for 1953 not presently available.
b/ U. S. Contribution.

October 23, 1953

[redacted]

FUNCTIONAL PROGRAMS

AGRICULTURE AND NATURAL RESOURCES
Total U. S. Cost $912,000
No. of U. S. Technicians - 28
No. of Training Awards - 11
Host Country Contribution - $1,105,000

Objectives: To improve agricultural production standards by teaching the farmers more effective farm practices and thereby raise the rural standard of living, and to obtain fuller utlization of available resources, both water and mineral.

Problems in the Field of Activity: Arable land is scarce in Saudi Arabia. Water for crop production is scarcer and the lack of it often causes local crop failure and even famine. Practically all farm production depends on irrigation with the very limited water. A high percentage of the farmers are illiterate. They pursue ancient farm practices. Consequently, with the restricted means for growing farm products and a lack of knowledge of how to utilize modern technology in combining the available factors of production, the basic problem in rural Saudi Arabia is to teach the farmers to follow more desirable practices fundamental to fuller living. Better utilization of water and the bringing into use of newly discovered water resources is an important problem.

Existing Programs: The host government practically has no organized program of agriculture. It does have a Department of Agriculture with a staff in Jidda. As a whole, the department is very feeble. Agricultural technicians have been stationed in three or four areas of the country but their work is ineffective because of the lack of support by the Department.

Local Organization: The TCA Agriculture Division has had little opportunity, to date, to work on an organized basis with the host government Department of Agriculture. At present it is necessary to operate through the Minister of Finance and this condition will continue until a more responsible Director of Agriculture is provided. In the field of Natural Resources, Investigations, FOA furnished technical advice while the Saudi Arabian Government provides drilling personnel and equipment through a contractor.

Major Activities in FY 1955	Progress to Date
Agriculture Extension - $186,000 Demonstrate improved farm practices and conduct experimental work in food and forage work and vegetable varieties, and cultivation practices, continuing activities being initiated in FY 1954.	A program plan has been completed for Ministry of Agriculture and surveys completed in major agricultural areas of the country.

Livestock Improvement - $91,000

A more profitable livestock breeding program is being introduced to improve native breeds of sheep, goats, poultry and cattle, introducing desirable breeds, and establishing foundation herds for distribution of pure bred sires. A U.S. Technician will supervise a livestock farm, being established by SAG in FY 1954, demonstrating improved stock and methods, and distributing stock for foundation herds. Parallel with this activity, a program of research in and demonstrating for the improvement and conservation of range forage crops for livestock will be carried forward expanding from 3 demonstrations plots in FY 1954 to 7 in FY 1955.

Being initiated in FY 1954. This program will provide essential balance to the agricultural program by reaching the Bedouins as well as the farmers.

Land Development - $98,000

Continuation of advice on development of irrigation for arable lands, especially of the Asir project. Demonstration of improved drainage practices, lowering the water table and thereby increasing production in the Al Hasa Oasis and at Qatif. Provision of construction equipment for the drainage demonstrations.

New Project in FY 1954. These programs will provide a base for SAG programs for settlement of the Bedouins.

Water Spreading - $60,000

Establishment of one or more demonstration areas in the use of range land by water spreading and revegetation using leaders currently being trained in the U. S. under the Regional Water Spreading Program.

SAG range management specialist, is participating in the special group of leaders from the Arab states, for training in water spreading techniques. This program offers an important opportunity for maximum use of range water in arid areas.

Locust Control - $45,000

Technical advice and equipment to supplement regional locust control program.

To be started in FY 1955 as a program separate from the regional program.

Natural Resources Investigations - $432,000

A broad program of surveys and mapping of water and mineral resources of the country. This will include technical assistance and advice in mapping, analysis of water samples and prospecting for additional water supplies and analysis of drill cuttings and rock samples. Continuation of a general geologic survey and more intensive studies in area of possible mineralization. Planning the development of natural resources, roads, railroads, air fields, agricultural lands, etc. utilizing the results of such studies.

Project getting underway in FY 1954. This is essential in order to obtain data regarding location of water and mineral resources necessary for economic development.

HEALTH AND SANITATION

Total U. S. Cost - $241,000
No. U.S. Technicians - 7
No. of Training Awards - 6
Host Country Contribution - $250,000

Objectives: To strengthen the Ministry of Health by advising on organization and budgetary procedures. To carry on some demonstrational projects to encourage the Ministry to develop a public health program.

Problems in the Field of Activity: Some of the problems are (1) poor organization in the Ministry; (2) lack of Saudi trained in health work (3) lack of training facilities; (4) either lack of sufficient funds for the Ministry of Health or the unwise spending of the funds, or both; (5) a desire of some officials to keep the "status quo"; (6) lack of reasonably sufficient health facilities; (7) poor condition of existing health facilities; and (8) complete lack of any idea of sanitation.

Existing Problem: The Ministry operates "hospitals" in several cities, as well as a quarantine service which concentrates its services on the pilgrims to Mecca.

The World Health Organization has recently sent an advisor on public health administration. It has a venereal disease control team, a malaria control team operating, and a quarantine advisor.

Local Organization: The headquarters of the Ministry of Health are in Mecca, and it is forbidden for non-Moslems to go there. However, recently an office has been established in Jidda so that there is practically daily contact with the official designated by the Ministry to work with FOA. Two technicians have been assigned directly to the Ministry. It is proposed to assign other technicians to the Ministry when they arrive. In this manner FOA will be able to integrate its programs into the operations of the Ministry.

Major Activity in FY 1955	Progress to Date
General Health Training - $241,000	
Demonstration activities directed toward the establishment by the Saudi Arabian Government of an adequate public health program. Supervision and organization of nursing activities in a maternal and child health clinic in Jidda; establishment of a public health laboratory and a demonstration public health center in Riyadh. Training of laboratory technicians, sanitary inspectors and hospital assistants.	The establishment of a quarantine station and vaccine laboratory in previous years pave the way for the more fundamental types of activities required for a sound public health program.

EDUCATION

Total U.S. Cost - $232,000
No. U. S. Technicians - 7
No. Training Awards - 8
Host Country Contribution - $3,066,000

Objectives: To create the desire for, and start the development of, facilities and personnel for pre-employment and in-service vocational and technical education. Plan, develop and promote the organization of a minimum national, democratic system of public education including facilities, curricula, controls, personnel and stabilization of financial support.

Problem in the Field of Activity: There are no planned school structures in the country. There is a small percentage of the children who attend any kind of school. The curriculum is based first on religious law and secondly upon antiquated conception of enlightenment. Schools are mostly housed in rented locations. There are many SAG subsidized private schools. Approximately one-half of teaching personnel are contract Egyptians. There exists much prejudice against change and almost a complete lack of modern basic enlightenment upon which to build. Changes are only considered because of ever increasing pressure from the people for educational opportunities.

Existing Programs: Private school operators are constantly offering individualized proposals for schools. The government is requesting financial contributions and technical assistance from ARAMCO in building isolated schools. There is no planned program for school development. Many opinions, many promises, no unification of thought results in little but loss of time and great waste of money.

Local Organization: The Finance Ministry seems the most direct and forceful approach to any kind of development program in the field of education.

Major Activities in FY 1955	Progress to Date
Commercial and Industrial Training - $147,125 The continuation of the development of schools for commercial and industrial training. The Jidda Commercial School project. Industrial school development involving the establishment of a drafting shop and courses in automotive mechanics and welding. Special courses will be initiated for employees of the Saudi Arabian railroad.	The Jidda Commercial School is already in succesful operation, with about 100 students. The Industrial School and Railroad Training Institute will be started in FY 1955.
School Planning and Teacher Training - $84,875 Assisting the SAG school planning and teacher training leading toward the development of and adequate general school systems for the country. The project will enable the development of curriculum, provision of buildings, teachers, organization, and instructional materials.	To be started in FY 1955.

TRANSPORTATION AND COMMUNICATIONS

Total U. S. Cost $172,000
No. of U. S. Technicians - 3
No. of Training Awards - 3
Host Country Contribution - $215,000

Objectives: General improvement of transportation facilities by railroad, highway and air. Installation of the Visual Omni Range equipment at Jidda Airport for the safer operation of aircraft.

Problems in the Field of Activity: It is well known that the improvement of transportation facilities in this country are essential to the economic welfare of the country.

Existing Programs: The Saudi Arabian Government has been carrying out some road construction work and for some time has considered the building of a railroad from Riyadh to Jidda and Mecca.

Local Organization: Up to now, all matters pertaining to general improvements in the country have been handled through the Finance Minister's office. However, recently a new Ministry of Communication and Transportation has been organized and it remains to be seen whether or not this ministry will have real authority in carrying out development work.

Major Activities in FY 1955	Progress to Date
Transportation and Communications - $172,000	
Improvements of airport safety facilities and training of technicians in railroad work and telecommunications.	Railway survey has been completed. Five Saudia Arabian telephone technicians are now training in the United States under FOA grants. A number of railroad technicians are being selected to come to the U. S. for training in connection with railway construction planned by the SAG.

PUBLIC ADMINISTRATION
Total U. S. Cost - $112,000
No. of U. S. Technicians - 5
No. of Training Awards - 3
Host Country Contribution - $20,000

Objectives: To bring about improvement in certain phases of the host government administration mainly in the field of public finance.

Problem in the Field of Activity: Due to the elementary organization of Saudi Government, guidance and direction are required as responsibilities and duties increase.

Existing Programs: The Saudi Government is slowly reorganizing its administrative structure. Example of this is the newly organized Ministry of Transportation. The Government has frequently brought in foreign missions or experts to help in developing a more modern governmental structure.

Local Organization: FOA Mission works together with the Ministry of Finance and its several divisions.

Major Activities in FY 1955

Public Administration - $112,000

Technical advice and assistance in governmental organization, especially in the fields of money and banking, customs and tariff, budgetary and accounting procedures. Reorganization of Saudi Arabian customs procedures, following work already done on tariff regulations.

The success of the public administration program will determine in large measure the efficiency of the entire technical assistance program and the strength and stability of Saudi Arabia.

Progress to Date

FOA technical advice and assistance contributed greatly to the establishment of the Saudi Arabian Monetary Agency and the introduction of the gold sovereign as a stable unit of currency. An FOA technician, working with the Ministry of Finance, has completed work on a new tariff structure for the SAG. Preliminary studies have been made toward a reorganization of SAG customs.

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SYRIA

NOTE: Although Syria has not concluded any technical cooperation agreement with the U.S., conversations directed to that end have been under way, intermittently, for many months. The Syrian Government has given some evidence of its desire to cooperate in the program for resettlement of Palestine refugees and of its active interest in achieving economic and social reforms within the country. The sum of $3 million (including certain domestic "backstopping" costs) as a reserve against the contingency that a Syria/U.S. agreement may be concluded is requested. In the event no such program is agreed upon this sum would be reprogrammed for other approved purposes under the Act for International Development.

The following program represents a number of projects for which the Syrians have requested foreign technical assistance, and, as such, can be considered a realistic basis for a joint Syria/U.S. technical cooperation program. While the original requests were made to the United Nations, only in a few fields has even limited assistance been given. Our work would complement existing programs in these fields and undertake full responsibility in the remaining requests.

U.S. Program Cost FY 1955 Total $2,885,000
No. of U.S. Technicians 42
No. of Training Awards 69

I. RESOURCES AND NEEDS

Natural:

Syria has an area of 72,000 square miles (slightly less than the state of Washington). Agriculture provides the largest part of the national income. The present cultivable area is estimated at 8,500,000 acres of which about 5,700,000 are now under cultivation. Approximately 700,000 acres of this total are under irri-

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RESOURCES AND NEEDS (Continued)

gation. Chief crops include cereals, vegetables and fruits; cotton is gaining in importance. Sheep, goats and cattle are the principal livestock. Syria is poor in mineral resources. Industry is handicapped by lack of coal, iron and power resources.

Human:

Syria's population is estimated at 3,291,000 of which 300,000 are nomadic tribesmen and 83,000 Arab refugees from Israel. Approximately three-fourths of the population are dependent upon agriculture. Some 85% of the population is Moslem, the balance being Christian. The number leading a nomadic life is decreasing annually. Modern health facilities are limited, and the people suffer from malaria, trachoma, tuberculosis, and other endemic diseases. The standard of living is relatively low, and a large percentage of the rural population, especially, live at a subsistence level.

Capital:

The national income is estimated at about 1.2 billion Syrian pounds (Ts 2.19 to $1.00) or about $110 per person a year. The total governmental budget in 1950 was LS 158,000,000. Syria has an adverse commodity balance in foreign trade, the balance being made up in part by petroleum operations and by other invisible items. The Government has not utilized foreign loans to any extent.

II. GENERAL SITUATION

Syria is culturally and politically important in the Arab world. Her people are for the most part settled in areas where rainfall or irrigation can support an agricultural economy. The Syrian desert does not support settled life, except along the upper Euphrates and in occasional small oases; it is scantily peopled by nomadic Bedouins, dependent on livestock. The farmers are settled in agricultural villages and towns, Inequality of land ownership and a feudalistic land-tenancy system persist in many areas, with resulting impoverishment of a considerable portion of the population. Properly used, Syria's land is potentially more than ample for its population, despite vast stretches being steppe and desert and the fact that much of the arable land has yet to be brought under cultivation and irrigation. Linked with the problem of land distribution is that of land utilization - inefficient and antiquated agricultural practices result in excessive water waste and inefficient production. A large percentage of cultivable land lies fallow and unproductive each year.

Standards of living in Syria vary widely. Members of the small upper class and the enterprising middle class live rather well. The living standards of the lower class -- 70 to 75 percent of the population -- are extremely low. In normal years Syria is able to provide enough food to meet national requirements, even though most of the tenant farmers and farm laborers operate on a subsistence basis.

Lasting social improvement in Syria can be achieved only after the economic and social reforms now being carried out by the present government's Liberation Reform movement have become fully effective. The most important of these involve land reclamation and irrigation schemes. Some of the new land and water resources developed with UNRWA help will be used for the resettlement of Palestine refugees. In general the technical cooperation program proposed for FY 1955 will be devoted to providing the outside technical assistance which Syria needs to make her own economic development efforts fully effective.

COUNTRY SYRIA

APPROPRIATION FY 1955

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TABLE VII

OBLIGATIONS BY ACTIVITY AND COST FACTORS
Fiscal Years 1953, 1954 and 1955
(Thousands of Dollars)

	Total	Supplies and Equipment 1/	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
Agriculture and Natural Resources						
1953	-	-	-	-	-	-
1954	-	-	-	-	-	-
1955	2181	1655	319	41	207	-
Health and Sanitation						
1953	-	-	-	-	-	-
1954	-	-	-	-	-	-
1955	473	335	88	10	50	
Education						
1953	-	-	-	-	-	-
1954	-	-	-	-	-	-
1955	117	56	11	10	50	-
Transportation and Communications						
1953	-	-	-	-	-	-
1954	-	-	-	-	-	-
1955	-	-	-	-	-	-
Industry and Mining						
1953	-	-	-	-	-	-
1954	-	-	-	-	-	-
1955	-	-	-	-	-	-
Public Administration						
1953	-	-	-	-	-	-
1954	-	-	-	-	-	-
1955	114	30	44	8	40	-

1/ Includes local costs.

SYRIA

	Total	Supplies and Equipment 1/	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
General And Community Development						
1953	-	-	-	-	-	-
1954	-	-	-	-	-	-
1955	-	-	-	-	-	-
Total						
1953	-	-	-	-	-	-
1954	-	-	-	-	-	-
1955	2885	2076	462	69	347	-

1/ Includes local costs.

10/25/53

GENERAL SITUATION (Continued)

The United Nations Technical Assistance Administration, FAO, UNESCO and WHO are giving a limited amount of technical aid to the Government of Syria in their respective fields. FAO experts are working in the fields of agriculture and forestry. UNESCO is carrying on programs in vocational education, rural education and teacher training. WHO is undertaking an intensive malaria-control program and is also working in the field of maternal and child health and public health nursing.

III. THE PROGRAM

General Plans and Objectives:

To aid Syria in her efforts to:

1. Increase the amount of arable land by drainage and irrigation.
2. Utilize rivers for irrigation purposes and for hydro-electric power.
3. Increase agricultural production through more effective extension and experimentation programs.
4. Improve health, sanitation and education in rural areas.
5. Develop a more effective governmental administration by organizing training programs for civil service personnel and officials.

Chronology of Agreements

No agreements have yet been negotiated. Preliminary conversations have been held.

Financing and Organization

Program negotiations are based on the assumption that Syria will contribute a fair share of costs.

AGRICULTURE, FORESTRY AND FISHERIES

U.S. Contribution $1,718,000
No. of U.S. Technicians---23
No. of Training Awards----39

Objectives: To assist the Syrian Government in the development of agricultural and forestry resources in order to provide a better standard of living for those currently at a bare subsistence, and to provide agricultural services for newly resettled Palestine refugees.

Major Activities in FY 1955

Agriculture Extension - $883,000

Development of an extension program in the nine districts of Syria, bringing improved farming practices to farmers. Establishment of vaccine and serum laboratory to assist in arresting livestock and poultry disease; importation of superior breeding stock; and program of artificial insemination. Training in use and maintenance of farm machinery. Research would be conducted as needed in hoof and mouth disease and demonstrations held, showing improved methods of control and prevention of disease.

Agricultural Research — $250,000

Development of testing laboratories and experimental stations in appropriate areas of Syria. Study of soils, plant diseases, testing seeds. Preparation of vaccines for farm animals. No such institutions of this nature exist.

Agricultural Education - $220,000

Assistance in improving existing vocational agriculture institutions in both technical and administrative aspects. One first-class agricultural school for training would be created. Practical and theoretical training of students with background of farm experience would be coupled with some teacher training. Courses would provide both class-room and field work.

Forestry - $365,000

The training of Syrians in better methods of planting, care and cutting of forests and woodlots through demonstrations. Introduction of new species would be undertaken after experimentation. Assistance will be available in advising government forestry officials on conduct of forestry training. Trainees would be instructed in methods and practices.

HEALTH AND SANITATION

U.S. Contribution $473,000
No. of U.S. Technicians - 8
No. of Training Awards - 10

Objectives: To assist the Government of Syria in the establishment of public-health clinic, stressing preventive health measures, and in the development of elementary sanitation facilities (including pure drinking water) in selected rural areas.

[redacted]

Proposed Activities for FY 1955

Health Organization — $20,000

U.S. Public Health administrator to be assigned as an adviser-consultant to work with the Ministry of Health on problems related to the organization and administration of a modern health program.

Potable Water — $205,000

Demonstration of methods for cleaning wells and constructing drainage systems. Villagers would be trained in methods for locating best sources of potable water. The construction of ancillary water storage and other facilities would demonstrate the application of sanitary principles.

Rural Health Program — $248,000

Development of a rural health center out of which health teams of technicians and trainees would work in a joint undertaking to develop a program stressing the responsibility of the people themselves for improving health conditions. In addition to the health center activities, audio-visual aids and demonstrations would be used to show the relationships between sanitation and prevention of endemic disease as a health education phase of the program.

EDUCATION

U.S. Contribution $117,000
No. of U.S. Technicians -1
No. of Training Awards -10

Objectives: To assist the Syrian Government in raising living standards through vocational training in order to create skills for producing basic necessities of life and provide employment for Palestine refugees.

Proposed Activities for FY 1955

Fundamental and Vocational Education — $117,000

Development of a program of vocational education in conjunction with the Ministry of Education. Courses would include mechanics, home economics, cottage and village industries; practical chemical laboratory work would be provided.

NATURAL RESOURCES

U.S. Contribution $463,000
No. of U.S. Technicians- 6
No. of Training Awards - 2

Objectives: To increase the arable land acreage by reclaiming public lands some of which will be made available for the resettlement of Palestine refugees as well as Syrians now living on marginal lands.

Proposed Activities for FY 1955

Water Spreading — $378,000

The development of a program of water spreading and preservation in desert areas, demonstrating range terracing and ditching techniques, along with a forage planting program. The use of simple equipment such as camel drawn slip scrapers, now available to nomadic tribes, would be demonstrated. Syrian supervisors would be trained.

Irrigation Surveys — $85,000

In conjunction with United Nations technicians, surveys would be conducted to determine possibilities for widespread irrigation in the southern and eastern regions of Syria as a prelude to actual construction operations in the future.

PUBLIC ADMINISTRATION

U.S. Contribution - $114,000
No. of U.S. Technicians - 4
No. of Training Awards - 8

Objectives: To assist the Government of Syria in the development of adequate governmental machinery for carrying out integrated economic and social development plans.

Advisory Services — $114,000

Technical advising services or surveys to help Syria in the reorganization of various Ministries so as to keep pace with the economic and social development of the country.

NEAR EAST AND AFRICA REGIONAL PROJECTS

U.S. Program Cost FY 1955 - $1,420,000
No. of U. S. Technicians ----------32

I. General

Certain activities of FOA seem best carried out on a regional basis to achieve maximum efficiency and benefits. Such activities cope with problems that are not confined to a single country, but which extend through the region as a whole and can only be solved by integrated and cooperating inter-country programs. Such programs include certain water-development schemes, the control of plagues which are transmitted regionally without respect to borders (such as epidemic diseases or insects), advanced specialized technical training centers, and the provision of specialized technical services on a short-term basis. Operation or evaluation of these activities on a regional basis reinforces the values to be obtained from individual country programs. The nature of TCA regional activities for the Near East and Africa proposed for FY 1954 is indicated by the following summary statement of purposes:

1. To provide on a regional basis the administrative direction and servicing facilities for insect or disease controls, such as the regional locust programs.

The basis for a regional locust-control operation is the fact that proper measures need to be taken internationally, as well as nationally, to permit effective control of locusts swarming across national boundaries. This is one of the basic agricultural problems in all of the region, extending from the Sahara to Pakistan.

2. To expand the facilities and raise the standard of technical training available to local program personnel within the region, by providing assistance to selected

institutions of higher learning in the area.

Adequate professional training for public services has been available to students of the area only in a few universities, particularly in Beirut and Cairo. The facilities for this type of training need to be improved and expanded so that more students can receive better training in these fields. Such training in most instances has a great advantage in that it can be applied to technical problems in the same natural and social environment, in which the trainees will work in the future. It follows that U.S. training would be provided only for the most advances.

3. To provide more practical and more efficient orientation for newly assigned U.S. technicians to the region, and to offer "refresher" or advanced training to older hands.

The principal orientation of new U.S. personnel assigned to the Near East or independent Africa will be undertaken in that region, to provide practical and realistic training in the working and living conditions of the area.

4. To provide special advisory services to the countries of the area when the service required can best be provided by highly specialized U.S. technicians on the basis of short term temporary assignments.

TCA country program staffs need highly specialized technical assistance in developing certain types of resources such as vital statistics which can be supplied on a regional basis without the need of providing such technicians to every country. This approach would also cover such fields as public health operations now under way in several countries would benefit by advice from highly skilled specialists on the regional staff.

5. To evaluate comparatively the country programs on a regional basis.

6. To provide special group training facilities for technicians, in the U.S.

The regional activities proposed are a logical approach to TCA operations in the Near East, from the viewpoint of services and saving of FOA funds.

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REGIONAL PROJECTS

TABLE VII

APPROPRIATION FY 1955

OBLIGATIONS BY ACTIVITY AND COST FACTORS
Fiscal Years 1953, 1954, and 1955
(Thousands of Dollars)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
Agriculture and Natural Resources						
1953	592					
1954	634	196	234	-	-	204
1955	550	370	180			
Health and Sanitation						
1953	601					
1954	25	-	25	-	-	-
1955	-	-	-	-	-	-
Education						
1953	60					
1954	45	20	25			
1955	185	35	150			
Transportation and Communications						
1953	-					
1954	-					
1955	-					
Industry and Mining						
1953	13					
1954	88		14			74
1955	535	385	150			
Public Administration						
1953	60					
1954	-	-	-	-	-	-
1955	-	-	-	-	-	-

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REGIONAL PROJECTS (Continued) [redacted]

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
General and Community Development						
1953	394					
1954	163	14	38	50	45	16
1955	150	150	-	-	-	-
Total						
1953	1720					
1954	955	230	386	50	45	294
1955	1420	940	480	-	-	-

Information for fiscal year 1953 not readily available by cost factors.

October 25, 1953

[redacted]

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FUNCTIONAL PROGRAMS

AGRICULTURE AND NATURAL RESOURCES

Total U.S. Cost $550,000
No. of U.S. Technicians-12

Objectives: To supplement the activities of national and international agencies in their efforts to control locusts and increase agricultural production in the area.

Major Activities in FY 1955

Regional Locust Control - $320,000

Continue to provide aerial reconnaisance, aerial spraying and technical advice to supplement other control activities provided by national Governments, international agencies, etc. in fighting the desert locust and other major insect pests in middle eastern and African areas.

Soil Salinity Service - $20,000

Soil Salinity is a basic problem in the Middle East and African areas causing a shrinking of the agricultural potential. The project provides for servicing by the USDA. Soil Salinity Laboratory on essentially the same basis as the Laboratory now services the agricultural studies of the experiment stations and Government agencies in the western United States.

Experimental Seed and Plant Materials - $20,000

Provides continuing facilities and coordination for the securing, exchange, packing, inspection and shipping of experimental plant materials and seeds, including their propogation and placement in the countries of the Near East and Africa where FOA projects are in operation.

Progress to Date

Project activities during past three years have resulted in closer coordination of country efforts and more effective action by the individual countries as well as contributing an additional control method that has increased kill of locusts in the Near East. Crop damage was held to less than 1 percent in Iran and to insignificant levels in other countries in 1953.

Activities under this project just being initiated under the 1954 budget operations.

The Department of Agriculture has serviced FOA projects with experimental lots of seeds and plant materials requested by technical Missions during the past three years.

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Land Problems Conference - $65,000

FOA will cooperate with the FAO, Middle East Governments, voluntary agencies and other appropriate groups in planning and holding a conference on land problems in the fall of 1954. This conference was requested by Middle East representatives meeting in Cairo in September of 1953.

Preliminary preparations now being initiated.

Water Spreading - $125,000

Regional activities will supplement country activities designed to increase livestock carrying capacities of range lands of the Middle East and African areas.

Activities initiated in FY 1954 have increased the appreciation of Middle East leaders of the livestock forage-range problems in their countries and resulted in greater emphasis being given to water use, forage-livestock activities in the Middle East.

EDUCATION
Total U. S. Cost - $[illegible]6,000
No. of U. S. Technicians - 10

Objectives: To provide, on a regional basis, training and educational facilities for technicians of the Near East and Africa in an environment more conductive to a transfer of technical skills than can ordinarily take place if brought to a much more technilogically advanced country.

Major Activities in FY 1955	Progress to Date
Rural Extension Training Program - $90,000 Training in an environment similar to that of the Near East will include agricultural extension, environmental sanitation and rural education. The technicians will be instructed in the methods of transmitting technical knowledge to rural groups. The Program will increase the trainees' technical competence and will give them an understanding of the process of economic development in rural areas.	Project just getting underway.
Foreign Technicians Institute - $45,000 The Institute will introduce and familiarize students from Near East countries, who have just completed their studies and are returning to their own countries, to the work of the Point 4 Program and its aim to assist nations in adopting new techniques to the solution of their problems. This will serve to interest these students in similar work and to make them aware of the regional aspects of many problems.	Program just getting underway.

Projects just getting underway

Heliopolis Vocational School, Cairo - $50,000

Four instructors in metal trades , woodworking, electrical trades, and related subjects will be provided to strengthen the curriculum of the school. Vocational training is a basic need in he Near East. Utilizing this school provides the training within the region, removing the need for English Language knowledge, and retaining the students within their environment

INDUSTRY AND MINING

Total U. S. Cost - $535,000
No. of U. S. Technicians - 10

Objectives: To survey methods, means, and economic feasibility of developing industries; to conduct surveys of raw material and other natural resource potentialities on a regional basis.

Major Activities in FY 1955

Flare Gas - $180,000

Throughout the oil producing areas hundreds of millions of cubic feet of gas rich in chemicals and power potential is being wasted annually. Preliminary engineering studies and tests will be based upon reconnaissance recommendations made under 1954 appropriations.

Project just getting underway, in FY 54.

Industrial Development Surveys - $355,000

Regional correlation and perspective in initiating the development of raw materials, water, transportation, etc. Appraisal on a regional development basis for strategic minerals, raw commodities in short supply or critical need, international transport facilities, nd international water supplies.

Project to be initiated.

Miscellaneous Regional Projects - $150,000

During 1955 the technical assiatance program is expected to develop the need for one or more projects which at this time cannot be fully substantiated such as

Regional Freeport Proposals
Regional food processing
Regional grain storage

In the first institute 25 students from the Near East, India, and Pakistan participated. The fields of study represented were agriculture, community services, education, health, industry and public administration.

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DOMESTIC PROGRAM COSTS

All Near East Countries ----------$625,000

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[redacted]

AFRICA

(Consisting of the Independent Countries of ETHIOPIA, LIBERIA, LIBYA, and the

and the

Dependent Overseas Territories of the Metropolitan Countries of Europe)

Funds Requested - Technical Assistance - $20,500,000

Special Economic Aid - $15,000,000

[redacted]

THE AFRICAN AREA - FY 1955

A. Area and the Problem:

Africa, for the purposes of this presentation, consists of the continental areas with the exception of Egypt, the Union of South Africa and the Spanish African possessions, but does include adjacent islands. Within this area are the three independent countries of Ethiopia, Liberia and Libya, and the British, French, Belgian, Portuguese and Italian African territories.

The continent of Africa, considered as a whole, is probably the least developed area of the world and is largely primitive in social organization. The levels of production and consumption are extremely low. A large part of the population is engaged and dependent on subsistence agriculture carried on with backward techniques. Investment in Africa has in the past been concentrated on the production of raw materials for export, though in recent years more consideration has been given to the need for balanced development leading to the self-sustaining kind of economy essential to the continued production of materials for export. Practically all the capital upon which production has been based has been imported from outside Africa and has had little effect in generating secondary investment. Africa, for the most part, lacks the economic structure within which economic growth is possible. Economic growth depends upon the creation of such a structure and not alone on direct capital investment in the production of primary products for export. The area lacks basic transportation, power and other facilities necessary to sustain and increase industrial production. The territories and the independent countries alike suffer generally from a shortage of skilled labor, adequate technicians, food supplies, public health, training facilities and water supply.

B. U.S. Objectives In African Area:

1. To so use technical cooperation and special economic aid as to accelerate the rate of development in the countries and territories and within a reasonable period of time they will have the technical competence, the basic economic structure and the income to carry out and finance their own development and effectively participate in the economy of the Free World.

2. To maintain political stability and minimize the possibility of political unrest that would undermine the security of important areas, necessitate the diversion of the Free World's military resources to the area or create serious adverse political reactions in other areas (e.g. Western Europe, the Near East, and India).

3. To assure the security of North Africa, which is an important buttress to Western defense positions in Europe, the Mediterranean, and the Middle East, and the security of other areas having a substantial strategic significance.

4. To give support to and to encourage the efforts of the metropoles to bring about an orderly and responsible transition towards self-government in the territories.

5. To foster long-range economic stability for the Free World by increasing the availability of raw materials to Europe from non-dollar sources.

6. To assure, insofar as possible, that the investment requirements of the territories will not impose so heavy a burden on European resources as to compromise the ability of the metropoles to carry out their defense commitments.

7. To influence the territorial and country development plans so that they meet U.S. objectives as well as those of the territories, the metropolitan powers and the independent countries.

C. Reorganization of Administration of African Programs:

The United States since 1948 has operated a program in the dependent overseas territories of the European countries. Until FY '54 this program was treated as an adjunct to the European aid program and funds for technical assistance and economic development were allocated from European technical assistance and program funds. In FY '53 in addition to funds made available for technical assistance, projects were carried out in the territories under the MSA basic materials program.

In recognition of the importance of treating Africa as a whole and as it is an area with common problems, the programming and operating responsibilities for both territories and independent countries have been placed in one organizational unit. Although the program objectives in the territories and in the independent countries are essentially the same and although similar techniques will be used in both cases to reach those objectives, there will be essential differences in operating methods.

D. Administration of Programs in Territories:

FOA does not maintain missions or individuals on permanent assignments in the territories. Rather, Overseas Territories Officers are stationed at London, Brussels, Paris, Rome and Lisbon, and work with the colonial and foreign offices in the development of programs and the review of specific projects. Programs for the territories originate with the colonial offices of the metropolitan powers and all projects proposed receive final approval from the metropolitan authorities. FOA does send representatives to the territories for the review of possible projects and to render assistance in the detailed development of projects.

The territories differ from the independent countries in that they have access to funds provided by the metropolitan countries, and have, because of the colonial relationship, effective administrative systems.

In FY '55 funds for territorial development will generally be made available under agreements entered into with the metropolitan countries which will specify in considerable detail the purpose of the project, how it will be carried out, the contribution which the U.S. and the participating metropolitan country will make to its financing. This essentially will mean the adoption of the approach used in the past in the independent countries with the modifications necessary to suit the territorial-metropolitan relationship. FOA will continue to operate the program in Liberia, Ethiopia and Libya under the terms of the general agreements now in effect. In the case of the territories the agreements will be specific rather than general as the bilateral agreements now in force between this country and the metropolitan powers obviate the need for general agreements.

The amounts requested for the countries and territories of this area are $20 million for technical cooperation, and $15 million for special economic aid.

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NORTH AFRICA

U.S. Cost - Technical Assistance - $4,500,058
Special Economic Aid - 2,000,000

North Africa consists of the French Territories of Morocco, Algeria, and Tunisia and the independent State of Libya. Historically, U. S. assistance to French North Africa has been principally economic aid rather than technical assistance whereas assistance to Libya has been exclusively technical assistance. In the further development of programs for this area, the objective is to formulate an identical approach to the common problems of the Territories and Libya and utilize so far as possible a regional approach to their solution.

FRENCH NORTH AFRICA

I. GENERAL SITUATION

	Status	Area (Sq. Mi.)	Total Pop.	European Pop.
French Morocco	Protectorate	153,870	8,655,117	363,117
Algeria	Overseas Dept.	847,500	9,251,000	1,019,000
Tunisia	Protectorate	48,195	3,230,952	239,549

French North Africa is an area of major U.S. interest and concern because of its strategic location and its important production of essential agricultural and mineral raw materials. Strategically, it is an essential buttress to Western defense positions in Europe, the Mediterranean and the Middle East. The United States and France have located major air and naval bases in this region, and Morocco is an important source of military man power for the French armed forces (about half of the French troops engaged in Indo-China have been from Africa).

The security of this area requires the maintenance of political stability and avoidance of serious economic disruption. The establishment and maintenance of military bases involves the need for feeding and housing local laborers, for assuring the production and distribution of local food, for

controlling disease and organizing water supplies . The security of these bases is closely related to the political relations between the Territories and France.

North Africa is undergoing relatively rapid economic development. Its production and exports have expanded at an unprecendented rate since the war. It produces important quantities of wheat and coarse grains, skins, phosphorous, lead, zinc, manganese, iron ore, cobalt, and asbestos. Nevertheless, this economic growth has aggravated rather than ameliorated the economic pressures that have long underlain French political difficulties in this region. The most important elements in its insecurity are (a) the pressure of a rapidly increasing population on land, much of which is arid or exhausted; (b) the competition between the native peoples and the European colonists who hold a privileged position; (c) extreme nationalism, stemming from a sense of exploitation that is subject to influence by Communist propaganda; and (d) the French reaction to this nationalism, induced in part by France's own insecurity.

II. THE PROGRAM

A. Background

In the last few years the French Government has recognized the dangerous situation in North Africa and has tried to ameliorate it through an ambitious program of economic and social development. This program had been too heavily weighted on the side of public utility and natural resources development and has just recently been reoriented to give more emphasis to the improvement of health and education conditions among the native population, provision of decent housing and sanitation in the urban centers, extension of arable land acreage and improvement in agriculture and livestock production techniques. Despite this shift, however, France finds it impossible to give adequate financial support to these programs in view of other pressing security demands on its resources. The French government and the governments of the French territories are now drawing up a second 4-year plan for the economic and social development of the territories in the French Union. United States assistance will, as in the past, be important to the carrying out of this plan.

Under the proposed 4-year plan increasing emphasis will be given to the problem of improving productivity of native agriculture. A large portion of the program is devoted to the improvement of the land, equipment, techniques, Health and education of that part of the native population of the territories which is engaged in agriculture and livestock raising. The next priority is given to the development of natural resources primarily in the fields of transportation and power.

From April 3, 1948 to June 30, 1953, the U. S. Government, from MSA/ECA appropriations, obligated $185,382,000 for French North Africa, of which a total of $157,673,000 were expended in that period. These funds were obligated for (1) the development of strategic materials; (2) basic materials development projects in FY 1953; (3) for technical assistance projects and (4) the dollar costs of imported commodities. A part of the funds made available to France under the U.S. aid programs were authorized specifically for use in the territories for economic development projects in 1950 and 1951.

B. The 1955 Program

- Technical Assistance - $3,000,000
- Special Economic Aid - $2,000,000

The U. S. Government, in collaboration with the Government of France, will develop a joint program designed to alleviate the problems in village agriculture in Morocco and Algeria and to reclaim the Mejerdah Valley in Tunisia. In the carrying out of these projects, the U. S. will supply technical assistance, necessary supplies and equipment, and conduct demonstration projects on improved agricultural methods techniques. These projects will contribute to raising living standards among the native population of the territories and promote economic and political stability in the strategic Mediterranean area. In addition to such technical assistance, the U. S. Government will make available a relatively small amount of special economic aid in order to further the development of natural resources through completion of power generating and transmission facilities throughout French North Africa for the use of the transport system, the mining and manufacturing industry, and agriculture. Some of the special economic aid will also be directed to port development.

[redacted]

LIBYA

Total U.S. Cost - $1,500,058
No. of U.S. Technicians - 46
No. of Training Awards - 33
Host Country Contribution - $671,000

I. RESOURCES AND NEEDS

NATURAL:

Libya is a large country comprising some 679,000 square miles. Nearly all the land in Libya suitable for farming, some 2,000,000 acres, is concentrated in two narrow belts along the Mediterranean Sea. Inland from this productive coastal strip, the country fades into the semi-desert found between the Sea and the low-lying mountain range commonly referred to as the Gebel. South of the Gebel, the true desert begins, and only a few oasis areas are found. The largest oases are found in the southern part of Libya, called the Fezzan. The semi-desert and desert areas are utilized by the nomads and their livestock.

Since there are no live streams in Libya, all water is derived from underground reservoirs. These are formed largely from the flow off the two low mountain ranges near the coast. The water supplies so far located are not nearly large enough for the agricultural needs of the country, and only 100,000 acres are irrigated. However, a very large amount of water is wasted by the unchecked run-off of flash floods from the two mountain ranges into the sea.

The chief food crops are barley, dates, wheat, and olives, production of which varies according to the unpredictable amount of rain. The chief livestock are sheep and goats. The chief regular agricultural exports are olive oil and livestock. Figs, peanuts, castor beans, almonds, and tobacco are also important crops. In good years the country is self-supporting on a food basis, and some grain, esparto grass, peanuts, and citrus are exported. In drought years grain must be imported.

[redacted]

At present no n tur l resources are being developed, although there are some potash and lignite deposits and possibilities of oil, iron, and sulphur. Five oil companies, three American and two British, maintain representatives in Libya and are developing plans for an active exploration program.

Human:

The population is estimated at 1,250,000, most of whom are clustered around the coastal oases, the largest of which is Tripoli with a population of over 100,000. Estimates of literacy range from 3 to 10%. A large part of the population suffer from malnutrition, tuberculosis, and trachoma, the latter running as high as 90% in the city sulm areas. The great majority of the people are engaged in sedentary agriculture or nomadic livestock raising, most of the skilled trades being in the hands of the Italian ex-colonial residents. The average per capita income is estimated at from .30 to .40 per year.

Capital:

There are no reliable current statistics on Libya's national income; it is estimated at $42,000,000. The combined national and provincial budgets for 1953/54 contemplate a total expenditure of $27,259,330. Of this sum, $4,200,000 is earmarked for economic development, and in addition, of the provincial budgets, some 14% is allocated to education, 10% to Agriculture, and 5% to health. The only items larger than these are law enforcement and public works. The remainder of the items concern almost entirely the operation of the ordinary mechanics of government, particularly the postal, telegraph, and roads system. The Libyan Government's anticipated internal and customs revenue amount to only $14,336,896, leaving a deficit of some $12,922,434. Of this deficit, the British Government has undertaken to meet $10,500,000, including the sum for economic development, and France will also contribute a small sum. Libya is a member of the sterling bloc and hence must exchange for British pounds the U.S. dollars it earns from incidental expenditures by the U.S. in connection with the U.S. Air Force at Wheelus Field near Tripoli.

Ever since 1912, Libya has imported more than she has exported, the balance of trade payments being made up in effect by, successively, the Italian colonial administration, the British "trustee" administration, and grants by the Western powers, so that the whole economy is still geared to depend upon such grants. Since at present Libya lacks known natural resources which could be exploited by foreign firms, she is not in a position to attract long term loans from international banks on a business basis. A system of loans to farmers is being made possible through the Libyan Finance Corporation; however, the major part of the capital of 280,000 contributed to this Italian, and loans are available only on a business basis from which the typical Arab peasant is unable to benefit.

The only bright spot in Libya's capital plant is the elaborate development of the port of Tripoli and the coastal road network, a legacy of the Italian regime; however, there are serious gaps even in this structure, and the good roads do not extend inland sufficiently for present needs.

II. GENERAL SITUATION

From 1912 to 1943, Libya was under an Italian colonial rule which stifled the development of the native Arab population; then for eight more years the British temporary administration pursued a "care and maintenance" policy which excluded economic development. Since attaining their independence at the end of December, 1951, the Libyans' great ambition has been to achieve complete management of their own affairs, although they have realized that for an interim period they must rely on British administrators and even Italian technicians in their service as well as technical assistance missions from the United States and the United Nations.

The struggle of the new state to establish itself on a going basis has been made more difficult by a number of factors, including the extreme regional separation of the main provinces, Cyrenaica and Tripolitania, which is reflected in corresponding political tensions; the low level of education resulting from the policy of the former colonial overlords; retarding factors in the cultural pattern such as nomadism, extreme personal individualism, and the traditional seclusion of women; the cycle of recurring droughts; and the extreme difficulty of obtaining capital. In addition to natural economic causes, the lack of capital is aggravated by the traditional Moslem aversion to investment, which runs hand in hand with a taboo on interest on loans. As in other Moslem countries, this taboo is circumvented largely by "sales" in advance of delivery at half price, the equivalent of very great usury on the part of the purchaser. Politically, the country has demonstrated more stability than was predicted by many observers in 1951. This year Libya joined the Arab League, indicating a general policy of solidarity with her sister Arab states as well as a determination to make her voice heard in international councils.

The broad outlines of Libya's development program were recommended in the United Nations report on "The Economic and Social Development of Libya" which resulted from a study by U.N. experts. Based on it, by January, 1953, a Five-Year Plan for the capital development of Libya had been evolved, and an over-all Economic Planning Committee established which coordinates FOA and U.N. technical assistance with the rest of the country's development plans, projects, and agencies.

However, Libya's extreme poverty makes her dependent upon foreign funds for her development program, particularly upon the funds to be received from the United States and Great Britain in exchange for base rights. The treaty with the latter country is under negotiation, and the treaty with the United States is yet to be negotiated. Hence, it has been difficult, if not impossible, for the Economic Planning Committee to arrive at an over-all planning figure. However, a tentative figure of $17,973,500 has been established for the five year period.

In its five-year plan, the Libyan Government intends to give a very high priority to the establishment of a complete education system, which the Italian regime had not maintained for the native population; and the Libyan Constitution provides for compulsory universal schooling. However, in practice, first priority in development projects has had to be given to the repairing of docks, roads, communications, and other war-damaged facilities, as well as to urgent agricultural and conservation requirements.

The Libyan Government has attempted to implement its own responsibilities for development in as intelligent and systematic a manner as possible. It created the Libyan Public Development and Stabilization Agency as the executive authority for administering all Libyan Government funds ear-marked for development projects, and accepted foreign officials to run the Agency. A considerable portion of the funds contributed by Libya toward cooperative projects are obtained from this source. It should be noted that in 1952 the entire "stabilization" part of the fund was over-expended by $143,400 in providing relief for the drought in Cyrenaica, since the regular public development funds were insufficient for this purpose.

During the current year, the U.N. mission has been operating on a budget of approximately $700,000 for its operating programs and $320,000 for administrative expenses, although some $2,000,000 was originally requested for these two items. At present, the U.N. staff in Libya totals 65 technicians and 20 administrative personnel excluding local employees. Under the division of functions agreed to with the Economic Planning Committee, responsibilities have been allocated as follows:

In the field of agriculture, FOA has assumed responsibility for actual teaching and demonstration in agriculture, including the establishment of a rural extension service; while FOA confines its role mainly to research and experimentation and marketing advice.

In the field of health, FOA has taken on trachoma control and school health, while the WHO and UNICEF teams have devoted themselves to anti-TB campaign and a maternal-and-child-care clinic setup. In the field of natural resources, FOA has concentrated on searching for new supplies of water while the U.N. geologist cooperates by research and analysis. In education, the allocation of responsibilities has been on an ad hoc basis, with FOA concentrating more on Cyrenaica, where it has been operating two teacher training and two vocational centers as well as supplying teachers for secondary schools; whereas in Tripolitania its activities have been confined largely to a crafts school and secondary school activities, while the U.N. has contributed to the teacher training centers in Tripoli and operated a large technical and clerical training school. In addition, the U.N. mission has contributed to the training of Libyans for public administration, accountancy, statistics, and public finance. Finally, the U.N. mission has provided a number of scholarships for special study abroad by Libyans.

All U.N. projects are coordinated through the U.N. resident technical assistance representative. All economic development and technical assistance projects in Libya are in trun coordinated through the Economic Planning Committee, of which the U.N. Resident and the FOA Country Director are both voting members.

III. THE PROGRAM

After consultation by FOA with the Libyan Government and the Economic Planning Committee, four of the chief fields in which, as the Higgins Report indicated, the Libyan Government needed help were selected for our country program. The selection of agriculture and natural resources, education, and health was based on the concept that American technical experience was pre-eminently qualified in these fields, that such activities would not involve large capital expenditures, and that these activities would contribute most to the economic and social development of Libya.

The FOA mission in Libya functions in the form of the Libyan-American Technical Assistance Service, a special agency of the Libyan Government. It has its own bank account in which are deposited program funds obligated by program agreements between the U.S. and Libya. Libyan Government is committed in each of the project agreements to contribute labor, land, buildings, P&L for vehicles, clerk-interpreters, and materials obtainable locally. Some of U.S. technicians have already moved into Libyan Government offices where they can work more closely with their Libyan "opposit numbers". It is the aim of the program to render technical advice to help organize and establish various departments of the Libyan Government, and to train individual Libyans in these departments so that they can assume responsibilities and duties necessary to carry on the normal functions of their own government.

Among the difficulties faced in implementing this plan are the low level of literacy. It is in accordance with the wishes of the Libyan Government that such a high emphasis has been placed on education, although the largest program will continue to be agriculture and natural resources since the economy of the country is based on agricultural production and the most immediate problem is establishing that economy on a solvent basis. In education, first priority has been given to teacher training. In the agricultural schools, emphasis is placed on the role of teachers in improving agricultural practices.

At the same time, it is urgent that the economy be freed, by whatever trachoma control methods seem promising, from the effect of the huge proportion of the blind, who constitute a most serious drain on the food supply since they continue to consume indefinitely but cannot produce.

The technical assistance program in Libya is supporting these objectives by assisting the Government of Libya in its efforts toward:

1. Expansion of agricultural production, exploration of new sources of water, and more efficient use of present water and soil resources.

2. Establishment of governmental health institutions, supplying trained personnel.

3. Development of basic legislation, programs organizations, and personnel for an adequate Libyan education system.

All of these objectives are interdependent. The clue to expansion of agricultural production is through finding new underground water supplies. Public health depends partly upon an increase in nutritious food; and, better public health standards will in turn add more healthy people to the productive labor force. Public hygiene can best be taught through an expanded school system. Finally, an education system must be established to train Libyans in all fields of endeavor so that they may develop manage, and govern their own affairs.

Chronology of Agreements

(Basic Agreement)	January 21, 1952
Project Agreement No. 1 School Construction in Tripolitania	August 23, 1952
Project Agreement No. 2, Vocational Agricultural Training Center	October 14, 1952
Project Agreement No. 3, Agricultural Extension in Cyrenaica	October 30, 1952
Project Agreement No. 4 Zorda Agricultural Experiment Station	October 30, 1952
Project Agreement No. 5, Grain Silos	October 30, 1952
Project Agreement No. 6, Trachoma Control in Cyrenaica	October 30, 1952
Project Agreement No. 7, Forestry in Cyrenaica	October 30, 1952
Project Agreement No. 8, Agricultural Extension in Tripolitania	October 14, 1952
Project Agreement No. 9, Forestry in Tripolitania	October 14, 1952
Project Agreement No. 10 Trachoma Control in Tripolitania	October 14, 1952
Project Agreement No. 11, Natural Resources in Tripolitania	October 14, 1952
Project Agreement No. 12 Education in Cyrenaica	November 29, 1952
Project Agreement No. 13, Education in Tripolitania	November 29, 1952
Project Agreement F-1, Fezzan	August 24, 1953
Program Agreements for Agriculture, Health, Education, and Natural Resources	June 17, 1953

The organizational relationship of the FOA mission to the host government is set forth in a basic agreement, including an amendment

which has been agreed to by the Libyan Government. The agreement establishes the FOA Mission in the form of the Libyan-American Technical Assistance Service (LATAS), a special agency of the Libyan Government. The Director of the Service is, appointed by the United States but acceptable to the Libyan Government. All development plans are cleared through the Economic Planning Committee, which consists of Libyan officials, British Advisors, the Director of LATAS, and the United Nations Resident Technical Assistance Representative.

In all cases, project proposals are developed by LATAS technicians with local government officials, such as the Libyan provincial agriculture or health minister, before being presented to the Planning Committee. Project agreementsare formalized only after full discussion with local government official.

Through his non-voting membership on the boards of the Libyan Public Development and Stabilization Agency and the Libyan Finance Corporation, the Director of LATAS is able to present his views in the planning of these agencies.

All program funds for Libya are obligated by an exchange of notes with the Libyan Government. These funds are then deposited in Barclay's bank or the American Express Company as joint Libyan-American funds. To date, the host country has made its contributions required by the project agreements directly from funds allocated from provincial budgets or in the form of materials or the salaries of local labor necessary for the execution of the project. In fiscal year 1953, the Libyan contribution to the LATAS program was estimated at 479,610.

LATAS has a written working agreement with the United States Information Agency in Libya delimiting respective fields of responsibility. A representative of both USIA and LATAS are members of the Libyan Government's board which selects Libyan students for training abroad, assuring coordination.

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COUNTRY LIBYA

TABLE VII

APPROPRIATION FY 1955

OBLIGATIONS BY ACTIVITY AND COST FACTORS
Fiscal Years 1953, 1954, 1955
(Thousands of Dollars)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs a/
Agriculture and Natural Resources						
1953	505	240 b/	250	-	15	- b/
1954	670	186	302	8	19	163
1955	670	161	306	8	19	184
Health and Sanitation						
1953	160	70 b/	70	-	20	- b/
1954	255	37	97	15	25	96
1955	255	37	90	15	25	103
Education						
1953	364	219 b/	100	-	45	- b/
1954	565	99	155	15	30	281
1955	565	96	145	10	20	304
Industry and Mining						
1953	-	-	-	-	-	-
1954	10	-	10	-	-	-
1955	10	-	10	-	-	-
Total						
1953	1029	529 b/	420	-	80	- b/
1954	1500	322	564	38	74	540
1955	1500	294	551	33	64	591

Memorandum	Joint Funds
1953	19
1954	900
1955	800

a/ Includes garage, warehouse and information-audio-visual costs.
b/ Program Agreement Funds, including supplies and equipment and local costs.

~~CONFIDENTIAL~~

October 24, 1953

FUNCTIONAL PROGRAMS

AGRICULTURE AND NATURAL RESOURCES

Total U.S. Cost $670,000
No. of U.S. Technicians - 27
No. of Training Awards - 8
Host Country Contribution - $263,000

Objectives: To increase agricultural production by the development of new underground water supplies, and better utilization of existing soil and water resources. To improve cultivation, and range and livestock management techniques. To increase nursery production of tree stock for sand dune stabilization.

Problems in the Field of Activity: The meager resources and antiquated methods of the Libyan farmer is so low as to keep the major population of the people at subsistance level living. There are no trained Libyan technicians. The sand dunes constantly menance the meager arable land and there are no live streams. Irrigation water is derived entirely from underground sources. There is no Federal Minister of Agriculture and the provincial administrations are inadequately financed and staffed. Land ownership laws are confusing and land holdings fractionalized.

Existing Programs: Each of the three provincial departments of agriculture is administered by a Libyan Nazir assisted in Tripolitania by two British and in Cyrenaica by one British technical advisor and in each by three or four subprofessional employees. An experimental station in Tripolitania and a substation in Cyrenaica have been operated with UN technicians since 1953. The Economic Planning Committee gives top priority to teaching farmers methods of increasing production, to afforestation, to extending present cultivable areas, to introducing improved strains of seeds and tree species, and to location of new water supplies.

Local Organization: LATAS technicians with their Libyan counterparts plan and develop joint programs for the approval of the Nazirs and the LATAS Chief technicians. Project agreements are formally signed by the Country Director and the special representatives of the Libyan Government after approval of the Economic Planning Committee.

Major Activities in FY 1955

Agriculture Extension - $436,000

The continuation of agricultural extension projects to increase agriculture productivity by demonstration and introduction of new seeds, livestock and farming practices; animal husbandry, marketing and harvesting, range management and the establishment of community agricultural centers.

Progress to Date

Twenty three community centers have been established. 1,750,000 pounds of wool was sorted and graded under the wool program and is credited with having raised the price of Libyan wool. Ten tons of cereals and 140 varieties of vegetable garden seed have been distributed to farmers. Extensive tree pruning demonstrations

have been carried out involving 2,500 trees in various villages. 25 Libyans were given on-the-job training.

Forestry - $56,000

Continuation of assistance to the provincial departments of agriculture to increase nursery production, new nursery techniques, extension forestry program to encourage shelter belts, windbreaks and woodlot plantings, better utilization of existing forests, and sand dune fixation.

The annual production of Government nurseries has increased from 35,000 to 160,000 seedlings, 400 acres of fuel-wood reserve has been set up. A new well at the main government nursery has been drilled and a pump installed. A tractor-powered soil auger was designed and demonstrated. A 400 acre demonstration of dune fixation by afforestation has been carried out. Foresters have demonstrated that dune fixation protects the top soil from wind erosion and has resulted in teaching Libyans the effectiveness of the disc method of stabilizing the fronteir between the desert and the arable land.

Natural Resources Development - $178,000

The continuation of ground water studies, test drilling and well measurement, study of pumping methods, improvement of same and cost determination. Technical assistance in formation of water laws; irrigation practices; study of land use methods for effective use of water and crops; land classification studies involving topography, drainage, soil, and plant study.

Well drilling equipment has arrived and wells are being drilled. 221 wells have been measured and recorded to determine water table conditions. A detailed study of the amount of water, quality of water and surrounding soil, topography and native vegetation is being made. A gravity irrigation system as the Vocational Agricultural Training Center at Sidi Mesri has been planned and installed. A similar project is in process at the Government farm in Tripolitania. Studies on low cost canal linings have been made, fifteen materials and combination of materials have been tested. Landclassification has been completed on the Gefara of Tripolitania. A detailed land use survey is in progress and over 200 field evaluations have been made.

HEALTH AND SANITATION

Total U.S. Cost - $255,000
No. of U.S. Technicians - 6
No. of Training Awards -15
Host Country Contribution - $26,000

Objectives: To develop and demonstrate effective measure of trachoma control, to backstop this activity with an appropriate school health and sanitation program, to plan, develop, and establish a competent Libyan Government Agency for the administration of health and sanitation activities and to train Libyan personnel.

Problems in the Field of Activity: Inadequate clinical and hospital facilities, elementary Public Health activity and no native doctors, no statistics on which to base planning, a high disease rate particularly in trachoma, low level of education, and apathy of the population, including officials, due to skepticism that disease can be controlled.

Existing Programs: The Government's program consists of backstopping the LATAS in the field of trachoma and the UN technicians in tuberculosis. LATAS operates with mobile teams and sanitarians to teach improvement in hygiene and prevention of disease in selected demonstration villages.

Local Organization: The provincial governments supply interpreters and drivers to assist LATAS. The provincial governments also supply clinical space and facilities.

Major Activities in FY 1955

Trachoma Control - $255,000

Continuation of a program of assistance to the Government in planning, developing, and expanding a Trachoma-Control School Health Program, through providing technical assistance, medical supplies and equipment in cooperation with existing public health and medical facilities.

Progress to Date

Established a clinic in Suk el Giuma, the market center suburb of Tripoli where 1578 trachoma sufferers were treated. Also 2000 school children were treated in the same area. At the municipal clinic in the "Old City" of Tripoli 1180 cases were treated. The results indicated that treatment was most effective in educational institutions where attendance was compulsory, whereas in the clinics patients attended at their convenience only a small percentage followed the "course" through to the end. Accordingly, the Suk el Giuma clinic was discontinued. Treatment was given in the school system at Zavia to 672 students and subsequently to the 207 students at the Technical and Clerical Training School in Tripoli. 95% of these students had trachoma. Subsequent re-examination of the school children in the Suk el Giuma district indicated that before treatment 75% had advancing trachoma before treatment and 3% after treatment. Before treatment 21% had healing trachoma and after treatment 95% had healing trachoma. Other districts also indicate a drastic reduction in the incidence of trachoma. DDT spraying demonstrations have been aimed at the fly vectors of trachoma during the summer months. Four Libyan sanitarians and one laboratory technician have been sent to the American University of Beirut; one pharmacy student is now

finishing his training in Italy; and one medical student has completed his first year at the University of Cairo. 8 on-the-job trainees have been studying in Tripolitania.

EDUCATION

Total U.S. Cost - $565,000
No. of U.S. Technicians - 12
No. of Training Awards - 10
Host Country Contribution - $382,000

Objectives: The major objectives of the Education Program in Libya are to train Libyan teachers, develop a sound technical education program, and assist the Ministry of Education and the Nazirates of Education of the provinces to evolve an effective and efficient school management program for the country.

Problems in the Field of Activity: It is estimated that no more than 2% of the population is truly literate. Physical facilities are needed and above all the Government needs assistance in developing techniques of administering an education program. The problem of teacher education is particularly acute.

Existing Programs: Teacher Training colleges for men and women are being operated with assistance from LATAS and other agencies. Two colleges in Benghazi are dependent upon LATAS for staff and some equipment and supplies. In Tripoli, LATAS has provided technical advice, supplies and equipment. Summer workshops were held in both provinces and an in-service program is being developed. Two technical training centers, one in Tripoli operated by the UN and one in Benghazi operated by LATAS are training 390 Libyan boys, an enrollment which will be increased to 500 this year. Two Vocational Agricultural Training Centers are training 90 boys and enrollment will be doubled this year. Two arts and crafts centers are training 52 students.

Local Organization: The Higher Council of Education is the Federal coordinating and directing body for the community. The Boards of Management are both advisory and operating units in the Provinces.

Major Activities in FY 1955	Progess to Date
Technical Education - $281,000	
Continuation of a program of assistance to the Government in staffing, supplying, and operating vocational agriculture training centers, a technical and clerical training center and a handicrafts program.	Two vocational agriculture training centers have been opened and are directed by LATAS. A technical and clerical training center was opened in Benghazi and two arts and crafts centers have been established.

Teacher Education - $185,000

Continuation of a program of assistance to the Government in staffing, supplying, and operating 4 teachers colleges, providing summer workshops and in-service training for teachers and developing library facilities.

During 1952-53 the Teacher Training Colleges for Men and Women in Benghazi were organized and operated on a successful basis. Twenty-four men and nine women finished the academic year. In addition to the regular college work, in-service instruction was given in afternoon and summer courses. The latter were especially popular and well received by the teachers in attendance.

Education Facility Development - $99,000

Continuation of a program to provide technical assistance and advice to the Libyan Ministry of Education and the Nazirates of Education in the provinces; to manage all the FOA Education projects in the country and to plan and develop new projects and evaluate those in operation.

Library facilities in the country have been established and developed by LATAS. Nineteen small libraries have been set up at the "central schools" throughout the Province of Tripolitania and a traveling library service is being operated in Cyrenaica. An Education Law for Libya has been enacted. Science laboratories have been installed or supplemented by LATAS in nine schools of Libya.

MANUFACTURING AND INDUSTRY
Total U.S. Cost - $10,058
No. of U.S. Technicians - 1
No. of Training Awards - 0
Host Country Contribution - 0

Objectives: To improve the small industries and arts and crafts in order that the Libyans can maintain small industries such as olive oil refining, soap manufacturing, tanning, sponge fishing, canning, and date packaging and other fields in which private capital can be encouraged to make investments.

Problems in the Field of Activity: The service industries used to be operated by Italians and other foreign nationals. Many of the Italians have left and Libyans need training in order to replace them.

Existing Programs: The Government has requested a LATAS study of the possibilities in this field. LATAS advice will be given to the Libyan Government to stimulate trade and encourage sound private investment.

Local Organization: The Country Director is a member of the Libyan Economic Planning Committee through which he can contribute to the country's planning in the fields of trade and investment.

Major Activities in FY 1955	Progress to Date
Trade & Investment Analytic Survey $10,058,000 Advice to the Libyan Government in the fields of trade, investment and economic analysis and marketing analysis of the country's trade and commercial potential.	Basic field studies of small industries have been completed.

EAST AFRICA

U.S. Cost - Technical Assistance - $7,117,412
Special Economic Aid - 3,000,000

East Africa consists of the British territories of Uganda, Tanganyika, Kenya, the islands of Zanzibar and Pemba, British Somaliland, French Somaliland, Italian Somaliland and the independent Empire of Ethiopia. Historically U. S. assistance to the territories of this area has been principally economic aid rather than technical assistance, whereas assistance to Ethiopia has been exclusively technical assistance. In the further development of programs for this area, the objective is to formulate an identical approach to the common problems of the Territories and Ethiopia and utilize as far as possible a regional approach to their solution.

THE TERRITORIES

I. GENERAL SITUATION

	Status	Area (Sq.Mi.)	Total Pop.	European Pop.
Unganda	Protectorate	93,981	4,962,540	7,468
Tanganyika	UN Trusteeship	362,688	7,503,011	17,885
Kenya	Colony/Protectorate	224,960	5,700,000	42,000
Zanzibar & Pemba	Protectorate	1,020	264,162	296
Somaliland	Protectorate	68,000	640,000	-
Fr.Somaliland	Colony	9,071	55,874	2,543
It.Somaliland	UN Trusteeship	189,140	1,246,000	5,500

Italian Somaliland is a territory in which the United States has an interest and for which it has some responsibility as the United States was a party to the establishment of the Italian Trusteeship under which Somaliland becomes an independent country in seven years. It is not well endowed with either human or material resources and needs external assistance at this time if it is to become a self-sustaining nation. The Somaliland Administration is preparing a $100 million seven year plan

of development of which about three quarters will represent public expenditure and one quarter private investment. It is expected that two thirds of this sum will bome from the resources of the Territorial Administration with an Itallian contribution of not more than five million dollars a year. The political development of the territory is encouraging and it appears that self-government can be realized if the present undeveloped and deficit economy is strengthened to a point of reasonable self-sufficiency. It is toward the development of this self-sufficiency that the administration plan is being developed and towards the success of which the U. S. is asked to contribute in order to insure that Somaliland does not remain dependent upon other nations.

British East Africa is potentially a very important producer of materials and is an important source of food and labor for the mineral producing areas to the south and west. Tanganyika is largely an agricultural country, the world's leading producer of sisal and an important producer of gold, industrial diamonds, mica and lead concentrates. Cotton is the principal export of Uganda though it also produces coffee and sugar. New deposits of copper and cobalt have recently been discovered in the western part of the territory. In Kenya are produced coffee, maize, wheat, sisal, tea, sugar and cotton, and the territory has important dairy and wool industries. All three territories have large forest areas containing merchantable timber.

The present political crisis in Kenya has been caused by the tensions and conflicts involved in dependent peoples making the transition from tribal to a more advanced form of social organization. The impact of the west on Africa has shattered the tribal life of the African but has not yet produced a stable society. This problem in general in Africa and the Mau Mauism of Kenya can spread to other parts of Africa if solutions to the problem are not found. In Kenya the problem can probably never be solved until adequate steps are taken to solve the land problem. The Kikuyu tribe of this area has doubled in numbers in the past thirty years and there is inadequate arable land to support this primarily agricultural people. Land is available in the area, some even arable without irrigation, but can only be settled after year-round sources of water supply are developed.

This entire area is faced with needs that are similar to those of West Africa. There is an absence of an adequate transport system; there is no middle class; agriculture save on the farms and plantations of white settlers is burdened by primitive agricultural methods and inadequate agricultural credits systems for the native farmer.

II. THE PROGRAM

Technical Assistance	$5,000,000
Special Economic Aid	3,000,000

The FOA is now conducting three technical assistance projects in Somaliland and in FY '53 provided technical assistance for a geological reconnaissance. The three projects now under way are for a survey of port needs, transportation requirements and for assistance in developing plans for economic development.

The FY '55 Program in Somaliland will use the joint-fund approach and the program will be established directly with the administration in Mogadiscio. The final program will depend to a large extent on the character of the reports filed by technicians now in the field. U. S. assistance will be made available under the program for water resources development, for the improvement of the cattle industry, and the development of highway and harbor facilities.

In the past ECA has contributed to road development projects in both Kenya and Tanganyika. In FY '53 MSA under the Basic Materials Program made funds available on a loan basis for the development of the ports of Mombasa and Tanga and provided through the United Kingdom the sterling equivalent of one hundred thousand pounds each for Uganda and Tanganyika for use in making available loans to small businessmen to help in developing an entrepreneurial class of Africans.

In these territories FOA in FY '55 will work with the British government and the territorial governments on industrial productivity, vocational training, the development of agriculture and of natural resources. The program will help to develop through the financing of development banks non-agricultural African enterprises which will help

to create new employment and at assist in the growth of a middle class and will provide for surveys of credit needs to determine whether the lack of credit facilities is retarding agricultural production. Particular emphasis will be given to water resources development as a means of increasing the area of arable land and thus relieving the present pressure on available land. In the field of agriculture soil conservation practices will be demonstrated as will the use of improved hand tools and methods of preserving surplus feed for the use of cattle in the dry season. U. S. assistance under the program will contribute to the expansion of vocational training facilities through recruiting American technicians to teach, through setting up demonstration projects and providing the necessary equipment. Public health work will be undertaken on an inter-territorial basis as will certain types of agricultural research. A veriety of serious problems in Africa, such as sleeping sickness in cattle, can only be met through a pooling of knowledge and a concerted attack by several areas.

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ETHIOPIA

ETHIOPIA

Total U.S. Cost - $2,117,412
No. of U.S. Technicians - 89
No. of Training Awards - 9
Host Country Contribution-$4,554,780

I. RESOURCES AND NEEDS

Natural:

The rugged terrain of Ethiopia measures approximately 400,000 square miles. The country's land distribution is estimated as follows: 10 per cent cultivated; 50 per cent prairies and permanent pastures; 3 per cent forests; 7 per cent unused but potentially productive; and 30 per cent wasteland.

Water resources, which can be utilized in the form of hydro-electric power, constitute one of the most important assets in the potential riches of Ethiopia. The high elevation of almost half of the country's area, coupled with the phenomenon of a high annual rainfall in the same areas, plus elevation drops measured in thousands of feet, combine to make impressive power development possible in the future. Numerous rivers carrying large volumes of water are at present totally undeveloped. These include the Blue Nile and its tributaries, the Awash, the Omo, the Tecazzi and the Uabi Schebelli.

A natural complement to the hydro-electric potential is that of extensive irrigation possibilities, particularly in the lower, arid and probably fertile plains.

The basic industry of Ethiopia is agriculture. More than 90 per cent of the total exported products come from the farms and consist principally of coffee, hides and skins, oil seeds and pulses, and cereal.

The soils of Ethiopia are high in potential productivity. Preliminary analyses indicate that the soils of Ethiopia have good natural fertility. Only minor adjustments which can be obtained through the application of certain minerals are needed to provide the basis for a greatly expanded output.

Climatic conditions are favorable for the production of a wide range of agricultural products which are in short supply in the world. Ethiopia can become a great non-dollar source of supply for deficit countries.

Gold still is one of the most important minerals found in paying quantities both from quartz and alluvial sources. The exploitation of gold is a government monopoly. Platinum is another mineral which is being mined economically. It is being obtained by strip mining on a small scale in the Yubdo area.

Other minerals known to exist include numerous ferrous deposits, copper ore, manganese ore, wolframite, mica, vermiculite, asbestos, lignite, salt and potash. Information on scattered deposits of these minerals is sketchy and incomplete, and the probable contribution these minerals can make to the economic welfare of the country therefore cannot be assessed at this time.

Human:

The population of Ethiopia is roughly estimated at 16 million. The majority of the population lives in the highlands, which comprise the western half and the southern portions of the country. The eastern part of Ethiopia (the Danakil), and the southeastern part (the Ogaden) are populated only sparsely by nomadic groups, chiefly engaged in animal husbandry.

Education of children has been pushed vigorously since the end of the Italian occupation of Ethiopia, and Ethiopia now presents a unique opportunity for an education program designed to move an entire population, now more than 95 per cent illiterate, to a level of functional competence. There is everywhere in the country, on the part of children, youth and adults, a recognition of the importance of education and a desire to learn.

The productive capacity of most Ethiopians is being seriously drained by a group of diseases causing chronic or protracted periods of illness and convalescence. These include the venereal diseases, tuberculosis, malaria and relapsing fevers, typhus, various internal disorders, and infections with a wide variety of intestinal worms. Such diseases seriously decrease the productive capacity of an individual and often compound economic losses by involving the time of relatives or friends in caring for a sick person.

Outside of Addis Ababa, there is approximately 1 physician to serve each 500,000 persons. Hospitals are few and in poor condition. Organized public health services in sanitation, maternal and child health, and control of infectious diseases do not exist. In this situation, quacks, native doctors and poorly trained nurses' aides flourish in carrying some sort of medical attention to a medically indigent population.

Approximately 85 per cent of the population derives the major portion of their means of living from the production, sale, or processing of agricultural products. A large proportion of these are engaged purely in subsistence agriculture. The bulk of the remaining population are engaged in the services of the Church, Government, Army and commerce, with only a negligible number in secondary industries.

Capital:

National income data are not available. All that can be stated with any degree of certitude is that the agricultural sector of the economy contributes by far the largest share of the gross national product. A rough guess of Ethiopian $1.6 billion (based on average per capita output of approximately Ethiopian (100) has been ventured, but there is no statistical or scientific basis for this estimate.

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Recent budgetary information has not been made available. All that is known is that the major portion of government receipts are derived from customs and land taxes.

Ethiopia has enjoyed a surplus in her over-all balance of payments with the rest of the world in each of the past three years. With the help of exchange controls, Ethiopia has managed to live well within her income and has been able to build up reserves of US dollars to further her capital development. The country's balance of payments surplus reached 15.3 million Ethiopian dollars in 1951 - a record high - compared to 8.0 million in 1950 and 1.1 million in 1952. By far the largest part of the surplus has been earned on current account as a result of favorable world demand for Ethiopia's produce, in particular, coffee.

The healthy payments position of the Ethiopian economy has encouraged the International Bank for Reconstruction and Development to extend to Ethiopia three loans of a developmental character that are likely to have far-reaching influence on the country's future. Two of these loans, for highway construction and for the organization of a development bank, were granted on September 13, 1950, and operations under both projects have been well underway for over two years. A third loan agreement was concluded on February 19, 1951, for the rehabilitation and extension of Ethiopia's telecommunications system. An Imperial Board of Telecommunications has been established to implement the agreement. Development projects under all three loans will contribute toward a further expansion of the country's trade and prosperity.

An outstanding development as regards monetary reserves is to be found in the sharply declining proportion of foreign securities and foreign balances held in sterling and the equally steeply rising proportion of total reserves held in US or Canadian dollars. The proportion of reserves held in other currencies has fluctuated but has not significantly altered in level during the past several years. These developments reflect the planned shift in the composition of reserves by the Ethiopian State Bank with a view toward directing the Bank's resources into the most favorable investment channels. They are also a reflection of the need to accumulate adequate dollar reserves to meet payments on the nation's international loan obligations, at present wholly in US dollars.

Although the need for repair and reconstruction of Ethiopia's 17,890 kilometers of motor roads was urgently felt at the close of the war, the lack of capital to finance this undertaking proved a major handicap. However, with the help of a US $5,000,000 loan from the International Bank for Reconstruction and Development in 1950 this difficulty has been alleviated. Under the terms of the agreement with the World Bank, an Imperial Highway Authority has been established by the Ethiopian Government, and work in all parts of the country is well underway. It is estimated that Eth. $120,500,000 (US $48,200,000) will be spent on the highway program during the twenty year life of the loan, of which about 10 per cent will be available from the IBRD to finance the foreign exchange costs of the project. Negotiations are now underway to extend the contract of the US Bureau of Roads which is furnishing management to the Imperial Highway Authority.

Progress is being made, too, in the field of telecommunications. Facilities created by the Italians were severely damaged in the campaign of liberation, but have since been repaired and extended. Present facilities include: (1) an automatic telephone system in Addis Ababa having an ultimate capacity of 5,000 lines, (2) a 2,500 mile wire network connecting nearly 100 different communities, (3) local telephone systems in 18 towns, (4) an international telegraph service connecting Ethiopia with the rest of the world. Sixteen towns have telegraph service by telegraph or radio; for others, transmission of telegrams is by telephone.

The pressure of industrial and commercial development, however, is such that an approximate doubling of the country's telecommunications facilities is required. To this end, the IBRD recently granted Ethiopia a loan of US $1.5 million to meet the foreign exchange costs of the project, estimated to take about three years for completion. Roughly 20 per cent of this will be used for improvement of the Addis Ababa telephone system, about 60 per cent for the extension of the provincial system, and the remainder for the international system, for overhead activities, and for other incidental expenses. Approximately the same amount in Ethiopian currency will be required to finance the local costs of this undertaking.

Foreign financial aid is enabling the Ethiopian Government to carry out its post-war development program in still another field. With the help of a World Bank loan of US $2. million, Ethiopia early in 1951 set up a Development Bank, capitalized at Eth. $13. million. This institution absorbed the previously existing Agricultural and Commercial Bank of Ethiopia, originally established in 1947 to provide small loans to farmers. As its name implies, the bank's purposes are to assist in the development of industrial and agricultural production in the Ethiopian Empire, and to foster the investment of private capital, both domestic and foreign therein. The Development Bank is intended to meet the country's need for a long-term capital market to assist in financing development projects.

II. GENERAL SITUATION

The recent history of Ethiopia is well-documented with evidence of this country's desire to be a part of the western democratic tradition and to take its place in the ranks of Western nations. Ethiopia's membership in the League of Nations and now the United Nations, Ethiopian troops in Korea, the Emperor's expressed desire to be a part of a Middle East Defense Command are significant demonstrations of western orientation. It is the aim of the US foreign policy in Ethiopia to preserve and extend these ties with the western world.

In joining the ranks of the Western nations, Ethiopia becomes a significant example to its African neighbors of the achievements of an independent African country. With the recent federation with Eritrea it has over 500 miles of strategic coast line on the Red Sea, valuable for the defense of trade routes which are vital to the West. Ethiopia's central geographical location is also significant when considered in relation to many of the crisis areas in the world today. In addition, its abundant natural resources make this country a potential contributor of food and other materials to the West. These factors merit consideration for a program of US aid.

Before Ethiopia can become a strong contributing member of the western community of nations, it must strike at the social and economic ills of its people. However, unlike many underdeveloped countries, Ethiopia has not had to exhaust its resources providing the means for the mere survival of its people. Great famines, floods, plagues and the strains of over-population which have held back so many other underdeveloped countries from economic and social progress have never been problems for Ethiopia. This country is also favored by great natural resources, most of which have yet to be tapped. The tremendous potential for industrial power, vital to any nation, lies unharnessed in its great rivers. These facts, combined with a hard-working people who now have the leadership which is banding them together into a united force, are encouraging signs for a development program, provided that technical assistance is made available.

Ethiopia has only recently emerged from centuries of geographic, political and cultural provincialism. Its rugged terrain and the ab-

sence of internal as well as external communication not only isolated the country from the world, but also served as the major impediment to economic progress. It has been only within the last fifty years that Ethiopia could in any way be conceived of as a united nation. As communications have opened up contacts with foreign countries and brought the various internal, political, social and religious groups into closer ties, the Federal Government began to revise its relatively primitive economy along more modern lines.

However, this unifying action has not yet reached a point where effective economic development can be accomplished by the Ethiopian Government alone. There remain in the country the barriers of many languages, a variety of cultural patterns, and physical isolation of different tribal groups, each of which have long-established behavior patterns. In addition, during the occupation of the country from 1936 to 1941, there was a great loss of the educated people. This results in a nation which is still, in many ways physically and culturally fragmented and which is administered by an insufficient number of technically trained personnel.

The agricultural and livestock resources of Ethiopia promise the possibility that this nation can be a major food source for deficit areas. To accomplish this objective, however, it is necessary to overcome not only the technical deficiencies which exist in agriculture and animal husbandry, but also in the in-bred attitudes and conceptions of production and marketing of the varied producing groups. The employment of 80 per cent of its population in subsistence agriculture while the bulk of the remainder are engaged in the services of the Church, Army, Government, and Commerce and only a negligible number of secondary industries, is unmistakable evidence of the underdeveloped character of the Ethiopian economy.

Primitive methods of agricultural production, poor animal husbandry practices and destructive land and water use practices not only deplete the valuable natural resources of the country but also result in low productivity and reduced output, thereby adversely affecting the standard of living of the people. Thus, another characteristic of the underdeveloped state of the Ethiopian economy is defined.

A labor force which in many cases is handicapped by disease, a serious deficiency of technically trained natives and the complete lack of indigenous management skills result in low industrial productivity, thereby preventing any significant industrial expansion. Thus, the development of Ethiopia is frustrated in another important area of economic activity.

Progress in Ethiopia is also hampered by an inefficient distribution and marketing system. This inefficiency stems largely from poor transportation and antiquated commercial practices.

Relationship of Point 4 Program to other Economic Development Programs

The international Civil Aviation Organization Technical Assistance Mission, which includes a Chief of Mission, a meteorologist, one specialist in radio maintenance, one expert in aeroengineering and air frame maintenance and one instructor in map plotting, is making its contribution to Ethiopia's development through an educational program in these specialized subjects. Point 4 is not engaged in any of these activities.

The World Health Organization also has a Mission in Ethiopia. This Mission, which now includes a Chief, a leprologist, a venereal disease team of two physicians and one nurse, is conducting programs to combat these diseases and has sent 21 Ethiopians abroad for training in medicine, nursing and sanitation. The agency plans to expand its activities by joining with Point 4 in a training program for subprofessionals in the field of health and sanitation by providing a technician and considerable quantities of supplies and equipment. Point 4, on the other hand, will

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complement the scholarship programs of WHO by making available additional scholarships for specialized training abroad. The Chief of the WHO Mission has been working very closely with Point 4 and the Ministry of Health in formulating a Point 4 Program in Health and Sanitation for Ethiopia which is designed to complement existing programs.

The Food and Agriculture Organization Mission to Ethiopia, like that of the World Health Organization, is carrying on activities which are a continuation of UNRRA work. The agency's principal function is technical direction of a rinderpest vaccination program. Its personnel has trained some 200 Ethiopians in various phases of biologics use and production. It has also rendered advisory services to the Ministry of Agriculture in forestry, coffee, cotton, seed improvement and the use of small tools. This Mission includes seven specialists.

Since Point 4 and FOA are both rendering technical assistance in agriculture to the Imperial Ethiopian Government, an Advisory Planning Committee has been established to coordinate the activities of the two agencies and thereby enhance the GOE's chances of making more efficient use of their assistance. This Committee, which consists of representatives of FOA, Point 4, the Ministry of Agriculture and the Imperial Ethiopian Planning Board, reviews and passes on the work plans of the various specialists. The Committee, in recogniation of the agreement under which the two agencies are operating in Ethiopia, has drawn a sharp line of demarcation between the activities of the two agencies.

Since the agreements with FAO are clearly along specific functional lines to cope with specific commodity problems, it has been determined that the operation of these agreements be through existing institutions of the Imperial Ethiopian Government. The General Agreement with Point 4, on the other hand, permits the negotiations of project agreements for economic, social and education programs which are designed to assist the Government with its over-all economic development activities and involve the creation of new institutions such as agricultural secondary schools and experiment stations, and the Imperial Ethiopian College of Agricultural and Mechanical Arts. The Program of the College will include long-term institutions which will carry on agricultural research and extension work. The Committee recognized, therefore, that FAO and Point 4 could complement one another to the ultimate benefit of Ethiopia to the extent that these agencies could render assistance for the immediate and long-term problems, respectively.

III. THE PROGRAM

A. General Plans and Objectives

The objectives of the Point 4 Program in Ethiopia are to lay foundations for programs which will, in their accomplishment, provide a sound economic and administrative base for the growth of the social and economic welfare of the Ethiopian people. It will strive to aid the country in its quest for effective national unity and will attack such basic problems as those inherent in unattended health hazards, illiteracy, nomadic tribal life, primitive agriculture, lack of an investment program, and inefficient government organization and services.

In a country such as Ethiopia, where modern technology and institutional procedures are practically non-existing, there is almost no limit to the need for development. The financial limitations, however, are such that the first years of the Point 4 program should be devoted largely to those activities which will (1) have maximum impact in improving living conditions and skills of the Ethiopian people; (2) lay a firm groundwork for continued progressive efforts; (3) lead to increased and more lucrative production in order to increase materially the country's revenues; (4) create opportunities for profitable investments which will encourage the flow of additional capital, both private and public;

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and (5) provide government services which are needed to give vitality and management to the growing economy. In laying this groundwork the Point 4 program will give priority to education projects in the fields of Agriculture, Vocational and Industrial crafts, Health, and general elementary and secondary school education. This emphasis is essential in Ethiopia where there are practically no technicians or enough people with appropriate academic training to implement a program of economic development.

From developments in the program to date, the following are practical objectives of the United States, through its Point 4 program in Ethiopia:

1. To improve the production of food and other agricultural products by:
   a. Training the Ethiopian farmer in basic agriculture
   b. Special research and advanced training in particular fields of agriculture.

2. To improve the production, processing and marketing of agricultural products.

3. To develop an Ethiopian pest control unit to combat locusts and other pests within the country and to cooperate in the international locust control program.

4. To expand and improve the education system adapted to the needs of the Ethiopian people.

5. To develop a skilled indigenous labor force of technicians and sub-professionals by means of a program of technical and science education and industrial and vocational crafts training.

6. To explore the feasibility of increased utilization of water resources

7. To train a corps of personnel who can introduce health services into the local communities

8. To encourage new enterprises and private investment and to introduce more effective industrial methods

9. To develop a body of trained government personnel.

10. To assist in the organization of institutions and government mechanisms through which trained Ethiopians can accomplish the principles outlines above.

Chronology of Agreements

On June 16, 1951, the General Agreement providing for technical Cooperation between the United States and the Government of Ethiopia was signed. Specific programs and projects have been undertaken in the furtherance of that agreement and are now in operation. Technicians in agriculture, health, education, etc., have been furnished by the United States. Provision has also been made for joint fund operations (US and Host Government), under the direction of the FOA Country Director and an official designated by the Government of Ethiopia. Technical assistance agreements concluded or pending under this general agreement included those for: (1) The development of agricultural and mechanical arts education and the establishment of an Ethiopian Agricultural and Mechanical Arts College. (Agricultural Education Program Agreement, June 1952.) (2) The establishment, staffing and assistance in the supervision and administration of agricultural secondary schools. (Operational Agreement for Agricultural Secondary Schools, June 1952). (3) A study of the water resources of Ethiopia and the preparation of plans for their development. (Exchange of Notes for Water Resources Survey, June 1952). (4) Exploratory and demonstration work to determine the feasibility of an expanded well drilling program (Amendment to Exchange of Notes for Water Resources Survey to include a Well Drilling Project, June 1953). (5) A Program of cooperative education to expand and improve education in elementary and secondary schools and in the Technical School and College of Technology as well as to provide for adult vocational

training. (Cooperative Education Program Agreement, June 1953. Prior agreement signed June 1952.) (6) Management and training in vocational and industrial crafts. (Exchange of Notes for Vocational and Industrial Crafts, November 1952). (7) A porgram of pest control, directed initially at the locust infestation. (Exchange of Notes for Locust Control Project, November 1952.) (8) Agricultural improvement centers to teach the use of small tools and other agricultural implements. (Exchange of Notes Agreement for Agricultural Cooperative Service, June 1953.) (9) A cooperative program in animal disease eradication and control. (Exchange of Notes Agreement for Agricultural Cooperative Service, June 1953,) Animal Disease Eradication and Control Project Agreement). (10) A program to encourage private investment of both local and foreign capital. (Agreement pending). (11) A program of health and sanitation to provide for the training of sub-professionals, for the services of sanitary engineers, and for advice on the control of communicable diseases (Public Health Joint Fund Agreement, April 1953, Public Health Training Center Project Agreement, April 1953). (12) A cooperative program in Eritrea to contribute to the balance and integrated development of its economic resources and productive capacities. First Amendment to Public Health Joint Fund Agreement for Nurse Training School, First Amendment to Exchange of Notes for Technical Education Project. (13) For a study of the organizational and administrative procedures of the Ethiopian Government preparatory to installing improvements. (Agreement pending).

The administrative mechanism through which Point 4 and the Ethiopian Government carry out the specified projects is known as the Joint Fund. For each program a joint fund is established as a separate account consisting of deposits made by both governments. This joint fund is administered by the Co-directors for each program who are usually the Country Director and the Minister or Vice-Minister of the appropriate Ministry. In addition to contributions to the joint fund the Ethiopian government also makes a considerable contribution in kind and in servces. Point 4 provides technicians for each project.

Contributions from the Ethiopian Government include the equivalent of US $6,375 in cash and $2,745,000 in kind for buildings, land, office facilities and local personnel services. Third party contributions, which aggregate $59,230 in cash and in kind, are being made by ILO, the Ethiopian Women's Welfare Association for Adult Education, and the Eritrean Government.

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COUNTRY ETHIOPIA

TABLE VII

APPROPRIATION FY 1955

OBLIGATIONS BY ACTIVITY AND COST FACTORS
Fiscal Year 1953, 1954 and 1955
(In thousands of dollars)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
Agriculture and Natural Resources						
1953	810	325/a	485	-	-	-
1954	837	110	595	-	-	132
1955	1177	265 b/	912	0	0	0
Health and Sanitation						
1953	105	60/a	45	-	-	-
1954	206	40	133	3	3	30
1955	233	25/b	202	6	6	-
Education						
1953	130	100/a	25	-	5	-
1954	194	0	132	-	-	62
1955	237	25/b	212	-	-	-
Industry and Mining						
1953	64	50/a	14	-	-	-
1954	260	130	125	0	0	5
1955	184	30/b	151	3	3	-
Public Administration						
1953	56	-	56	-	-	-
1954	100	0	98	0	0	2
1955	120	0	120	0	0	-

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ETHIOPIA (Continued)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
General and Community Development						
1953	103/c	50/a	53	-	-	-
1954	—	—	—	-	-	-
1955	166	25/b	141			
Total						
1953	1268	585/a	678	-	5	-
1954	1597	280	1083	3	3	231
1955	2117	370/b	1738	9	9	-

	Contractual Services	Joint Funds
Memorandum		
1953	Oklahoma A and M contract personnel included under Agriculture and Natural Resources, Education, and Industry and Mining. Public Administration contract included in that activity.	575
1954		370
1955		370

a/ Program Agreement Funds, including supplies and equipment, field costs, and contractual services.
b/ U. S. contribution to Joint Funds, for use in procuring supplies and equipment, field costs, and contractual services.
c/ Eritrea.

10/25/53

FUNCTIONAL PROGRAMS

AGRICULTURE AND NATURAL RESOURCES

ETHIOPIA

Total U.S. Cost $1,177,279
No. of U.S. Technicians- 47
No. of Training Awards- -
Host Country Contributions- $2,027,900

Objectives: To provide assistance to the GOE in the organization and administration of a system of agriculture and water managment which will enable the peoples of Ethiopia to realize the full potentials from their agricultural efforts thus creating a new and important source of foodstuffs for the food-short countries in the Near East and Europe. The income from these exports will enable Ethiopia to finance much needed developments in other fields.

Problems in the Field of Activity: The greatest barriers to increased agricultural output are the knowledge, attitude and skills of the Ethiopian farmers. Using primitive tools and methods and lacking knowledge on sound land use management production is at a minimum level.

Existing Programs: A basic program in agricultural research is under way and a national system of extension is being established which will carry to the farmers new methods and implements designed to make better use of the natural endowments they possess. Agricultural educational facilities are being established to train workers who in turn may become leaders and teachers.

Local Organization: Servicio-type and joint-fund organizations have been established in Ethiopia within the framework of existing Ministries to develop and administer the cooperative development programs.

Major Activities in FY 1955

Progress to Date

Agricultural Education, Research and Extension - $559,310

The physical plant for the A&M type college will be completed and staffed to inaugurate a full scale program of advanced agricultural education, research and extension work.

A site for the college has been selected, surveys completed to serve as a basis for the architectural drawings now being made, and the curriculum mapped out. A comprehensive program of research has been planned and experimental plots have been established in selected centers around the country. Extension work is under way principally in coffee and livestock improvement.

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Agricultural Technical Schools - $145,550

Expansion of agricultural secondary school program begun in FY '53 will take place with the opening of a second school so as to accelerate the production of qualified students for advanced training and education and of extension workers and farm leaders.

A school has been in operation since October 1952 and enrollment has been doubled in FY '54. The experimental works program has been enlarged and demonstrations have been put on by the students to encourage the adoption of improved production and marketing methods by the farmers in the area. A second school site has been agreed upon and construction designs begun.

Animal Disease Eradication and Control - $29,378

Continuation of the GOE-FAO-FOA attack on rhinderpest and other animal diseases which account for the loss of approximately $1,000,000 head of cattle annually.

A serum production program has been under way and Ethiopian workers are being trained to administer the vaccines.

Animal Improvement - $40,602

To inaugurate selective breeding programs designed to improve the quality of livestock so as to meet world-wide marketing standards.

Research and investigations into the types of livestock which can best survive in Ethiopia have been started.

Extension and Demonstration (Eritrea) - $22,778

Continuation of work in the training of agricultural workers in the demonstration and teaching of improved agricultural practices suited to Eritrean needs.

U.S. technicians are now in Eritrea setting up an extension organization and selecting Eritrean trainees to get this program under way.

Pest Control - $17,931

Intensification of the joint Government of Ethiopia, FAO, FOA and British Desert Locust Survey Group campaign to combat the locust menace which annually threatens agricultural output throughout the Near East and Africa.

A pest control unit has been established in the Ministry of Agriculture with a U.S. entomologist training Ethiopians as ground observers and to provide ground support for aerial spraying teams. This unit has already undertaken operations.

Water Resources - $361,730

Collection of data concerning the water resources and water requirements of selected areas so as to evolve a water conservation and utilization plan in keeping with the demands of the expanding economy.

Engineers have installed stream flow measuring devices along two of the major rivers of the country and are reviewing geological and other data collected by the Italians with a view to drawing up a feasibility plan for a multi-purpose dam structure in one of the rich agricultural valleys in the country. Studies are also under way to locate sites for a well drilling program to provide water for human and animal use.

EDUCATION

Total U.S. Cost	$237,051
No. of U.S. Technicians-	10
No. of Training Awards-	-
Host Country Contribution-	$1,235,000

Objectives: To assist in creating educational opportunities for young as well as adults so as to fill the great void in literacy (more than 95% of the population is illiterate). By establishing a base for an educational system founded on the needs of the people it will be possible to provide the training needed to produce skilled workers for the expanding economy.

Problems in the Field of Activity: The principal problems in education are (1) a school curriculum leaning heavily on classical subjects, (2) absence of modern teaching materials, (3) insufficient native teachers and (4) inability of Government to administer an educational program.

Existing Programs: School curricula are being revised to place emphasis on technical and science education. Shop and science equipment has been purchased and teachers have been given intensive training in their use. Modern teaching methods involving use of visual aids have been mapped out and a special summer seminar has been held to explain the importance of adopting new procedures. Educational administration is undergoing an overhauling with the installation of more liberal teacher salary benefits so as to make the profession attractive, a dynamic recruiting program to increase number of teacher candidates and revision of teacher training facilities so as to accelerate the rate of producing teachers.

Local Organization: The program is administered through the Ministry of Education with the senior U.S. educational specialist heading up the Education Cooperative Service which plans and directs the expanded program.

Major Activities for FY 1955

Progress to Date

Technical and Science Education - $237,051

Reorientation of the national education system to create a core of native teachers trained in the sciences and crafts required by the Ethiopian economy.

A teacher's salary schedule has been established to provide incentives for a teaching career and an intensive teacher recruitment program has been most successful. New testing procedures are in the making and teacher training courses have been intensified. School curricula have shifted emphasis from the classical to the practical education approach.

HEALTH AND SANITATION

Total U.S. Cost	$232,761
No. of U.S. Technicians-	14
No. of Training Awards-	6
Host Country Contributions-	$534,880

Objectives: To combat the numerous debilitating diseases which amcounts for the high child mortality rate and short life span so as to provide a strong indigenous labor force which the expanding economy will require.

Problems in the Field of Activity: There is no semblance of a public health institution in the country. The only medical care available is hospital care. Not a single native doctor exists and outside the provincial capitals the people are without any professional doctors whatsoever. Health and sanitation as known to modern peoples is unknown in Ethiopia.

Existing Programs: A survey has been completed and is about to be implemented with the arrival of a medical team. The program will emphasize the training of sub-professional health workers who will go out into the villages and train others in preventive medicine. Nursing training facilities are being expanded and central medical laboratory facilities have been planned. Alterations to existing buildings which will house the model provincial health center have been designed and contracts are being negotiated.

Local Organization: The health program will be the responsibility of the Government of Ethiopia Ministry of Health with the U.S. medical technicians detailed to the Ministry and a joint fund handling the administrative details of the program.

Major Activities for FY 1955	Progress to Date
Health Education - $14,731 The introduction of basic hygiene instruction into the regular education system.	Health educator recruitment under way.
Sanitation Engineering - $17,954 Develop simple and inexpensive works for waste disposal and sanitary water supply.	U.S. sanitary engineer has been advising municipality of Addis Ababa on its sewerage disposal and water supply problems. Also has been working with water resources engineers on well-drilling program.
Laboratory Technical Training - $12,479 Assist in establishing a central sereological and biological testing unit and training sub-professional workers in lab procedures.	Laboratory technician selected for employment.
Public Health Training Center - $47,966 Assistance in the establishment of a model provincial public health center for training sub-professionals in public health work as well as a supervising agency for all public health activities in the province.	Site for center has been selected and design of physical structures is being completed. Public Health nurse now in Ethiopia and school director has been selected.
Communicable Disease Control - $30,340 In cooperation with WHO and through the use of the training facilities outlinedabove, workers will be trained to work with the WHO veneral disease, leprosy control and BCG teams.	Plans have been drawn up whereby a unit is being established within the Ministry of Health to administer and coordinate all communicable disease control work.
Nurse Training School (Eritrea) - $36,345 Establishment of a nurse-midwives' training school in Eritrea.	U.S. nurse being recruited.
Consultants to Ministry of Health - $72,946 Provision of consultants in medical education, medical supply, nursing, and malaria control to the Ethiopian Ministry of Health.	New project in FY 1955.

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INDUSTRY AND MINING

Total U.S. Cost	$184,278
No. of U.S. Technicians-	8
No. of Training Awards-	3
Host Country Contributions-	$757,000

Objectives: To stimulate private investments and provide technological services to improve the efficiency of existing industries. To identify new opportunities for industrial development and provide assistance in getting such industries started. To promote the production and marketing of home crafts.

Problems in the Field of Activity: There is absolutely no understanding among Ethiopians of modern commercial practices, international trade or effective marketing procedures. Cottage industries are virtually non-existent.

Existing Programs: An industrial engineer has drawn up a program which contemplates the legislative changes which the Government of Ethiopia will have to make in order to create a favorable investment climate. It is also laying out ground-rules for carrying on negotiations with foreigners seeking concessions within Ethiopia. A rounded program of industrial development is on paper and plans are being worked out to implement them. A program of vocational and industrial arts is under way and has been expanded in the capital city. The school is producing teachers who in turn can go out in the provinces and teach villagers some of the home crafts which can be profitably marketed.

Local Organization: The work in this program will be carried out through a commerce and industry development service located within the Ministry of Industry and Commerce. U.S. technicians will be working with Ethiopian counterparts and training them in the methods and procedures which will ensure a successful growth of the industrial and trade capacity of the country.

Major Activities in FY 1955

Industry and Trade Development Service - $134,000

The development of a dynamic program of promoting investment opportunities to attract foreign capital. Industrial specialists training Ethiopians in providing technological services to the existing and new-born industries. The making of marketing studies to determine the products which Ethiopian industry should produce to meet world demands and to design low-cost shelter units which can be constructed through a self-help housing undertaking; utilizing to the maximum indigenous building materials.

Progress to Date

Mining legislation has been drafted which will create favorable conditions for foreign capital to exploit the mineral resources of the country. Plans have been made for the re-negotiation of existing sterile concessions and such renegotiations have been started. A low-cost housing specialist has been recruited and will leave shortly. Technological services are being rendered on a small scale to some of the small industries in the country.

Vocational and Industrial Crafts - $18,983

Continuation of technical assistance to the Handicrafts School and acceleration of the training of Ethiopian students in the crafts.

The school has been re-equipped with improved tools and procedures and the program has been revised to discontinue the crafts teaching which offered little opportunity for profitable endeavor substituting in lieu thereof other crafts instruction which will produce more marketable items.

Vocational and Industrial Crafts (Eritrea) - $21,295

The establishment of a training school similar to the one in Addis Ababa described above for use by the Eritrean people. The development of an appropriate school curriculum.

A School Director has been appointed and is now in Eritrea completing his plans and preparing specifications of supplies and equipment needed as well as alterations required to put existing buildings into shape for use in this program.

Technical Information Service - $10,000

The establishment of a service Center within the Ministry of Commerce and Industry to conduct systematic studies on resources and other subjects of interest to prospective investors.

Project will not be started until FY 1955.

PUBLIC ADMINISTRATION

Total U.S. Cost	$120,000
No. of U.S. Technicians-	3
No. of Training Awards-	-
Host Country Contributions-	-

Objectives: To assist the Government of Ethiopia's efforts to modernize its government structure so as to permit more efficient and effective administration of the new government services.

Problems in the Field of Activity: Authority is confined exclusively in the hands of the higher authorities of the government and Cabinet Ministers are seldom willing to exercise their authority thus necessitating action by the Emperor himself on most matters. This type of government makes it virtually impossible for dynamic and positive action to be taken on a timely basis.

Existing Programs: The Government of Ethiopia has requested that assistance be given in the making of organizational and procedural studies of two of the largest ministries. Additionally, training in Government management and supply management operations are also being provided.

Local Organizations: The public administration specialists are working closely with the appropriate U.S. technicians and Ethiopian Ministries concerned. In the making of studies and the installation of changes Ethiopian designees are being assigned to the technicians as trainees.

Major Activities in FY 1955	Progress to Date
Organization and Procedure - $120,000	
Continuation of assistance to the Government of Ethiopia in the establishment and operation of sound procurement and fiscal operations. Studies in organization and procedures in the Ministries of Industry and Commerce and of Education.	Procedures have been developed for the accounting and control of joint funds. Ethiopian trainees who assisted in the establishment of the records and controls are now maintaining them. A start has been made to develop sound purchasing and property management techniques principally in connection with the use of supplies and equipment purchased out of joint funds. A public administration specialist under contract with the Public Administration Service in Chicago has completed his work in the Ministry of Industry and Commerce.

GENERAL AND COMMUNITY DEVELOPMENT

Total U.S. Cost-	$166,043
No. of U.S. Technicians-	7
No. of Training Awards-	0
Host Country Contributions-	N.A.

Objective: To distribute Government owned lands to landless Ethiopians in order to increase internal social stability and to advance the productive capacity of the country.

Problem in the Field of Activity: Despite the Emperor's decree regarding the distribution of public lands, little has been accomplished because the Government of Ethiopia lacks the administrative know-how to plan and administer such a program.

Major Activities	Progress to Date
Area Development Program - $166,043	
Technical Assistance and advice to the Government of Ethiopia in a broad program of resettling landless peasants onto fertile Government-owned lands.	New project in FY 1955.

U.S. Cost - Technical Assistance - $6,269,530
U.S. Cost - Special Economic Aid - $6,000,000

I. GENERAL SITUATION

West Africa consists of British, French, and Portuguese territories and the independent country of Liberia. Historically U.S. assistance to the territories of this area has been principally economic aid rather than technical assistance, whereas assistance to Liberia has been technical assistance. In the further development of programs for the area, the objective is to formulate an identical approach to the common problems of the Territories and Liberia and utilize so far as possible a regional approach to their solution.

WEST AFRICA

1. General Situation

	Status	Area (Sq. Mi.)	Total Pop.	European Pop.
French West Africa	Colony */	1,750,741	17,931,764	25,277
Cameroons	UN Trusteeship	166,489	2,997,000	3,000
Fr. Equatorial Africa	Colony	959,255	4,406,520	20,120
Portuguese Guinea	Overseas Province	13,948	517,249	2,254
Sierre Leone	Colony/Protectorate	27,925	1,975,000	1,000
Gold Coast/incl.Togoland	UN Trusteeship	91,843	4,339,185	4,618
Nigeria	Colony/Protectorate	372,674	24,330,000	10,000
Gambia	Colony/Protectorate	4,132	276,000	254

*/ Dahomey, including French Togoland, is Colony and UN Trusteeship

The territories of British and French West Africa are differentiated from other parts of Africa not only because of differences in the soil and in climate but because in these areas there are the fewest Europeans and because within this area there are developing the first political units controlled exclusively by native Africans. The success or failure of the political developments now taking place in the territories of West Africa will have considerable effect throughout Africa and will in part determine the character of our future relations with Africa.

West Africa is of strategic importance to the Free World, because of the port of Dakar and because West Africa embodies much of the Sudanese belt just below the Sahara. This latter area is important for strategic air bases and as an air route across Africa south of the Sahara. This area is a very important source of food and valuable raw materials such as tin, columbite, tantalite, palm oil and industrial diamonds for Western Europe and the United States. The vast area between Dakar and the Congo River is unique in that peasant farmers rather than European owned plantations produce most of the export crops. Production is seriously hampered by poor soils, primitive agricultural methods, lack of sufficient transport facilities, and poorly organized systems of marketing and agricultural credit.

Major capital investments will be required in the several territories of this area to make effective use of natural resources. Transportation, notably roads, is especially important to open up new areas, permit exploitation of raw materials, and move food and other agricultural products. The demand for power in urban centers, primarily to run small processing and consumer industries and for domestic use, has far outrun the supply. Health, sanitation and education facilities are wholly inadequate for the needs of the growing population. Local and metropolitan financial and technical resources required for social and economic development and for capital investment are inadequate.

The French territories in this area are among the least developed of all of the French territories in Africa and are those to which the French have paid the least attention. The largest of these, French West Africa, is a vast area sparsely settled and mostly arid. The area suffers from the lack of an adequate road system which has prevented a fuller utilization of such products as peanuts, bananas, rice, coffee, cocoa, cotton, millet, timber, and meat.

British West Africa is at a critical stage of political development. The Gold Coast probably presents the most interesting experiment in Africa today. The country is moving rapidly towards becoming an independent member of the Commonwealth. It now has a a very considerable degree of self-government with but three ministries in the possession of the British. The transition to self-government may be made within two years. Economically the territory is in a fairly good position but it does lack funds for investment and has almost a critical need for a trained group of men to run the government and industrial and agricultural enterprises that must be developed.

Nigeria, as the Gold Coast, is also moving rapidly toward self-government. Nigeria is African in its population, has but a small white population and, therefore, is without the kind of racial conflict which exists in other parts of Africa. Nevertheless there is within Nigeria a considerable amount of tension and conflict among the natives, the cleavage being generally between the north and the south. The northern part of Nigeria is Mohammedan and has preserved far more than the south its ancient conservative way and is fearful of being dominated by the more advanced people in the south where the greater impetus to immediate self-government and independence lies.

II. The Program

a. Background

The U.S. Government, from ECA appropriations, has made possible a road construction project to partly alleviate the transportation problem in French West Africa. The counterpart of ECA funds financed

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the development of the port of Conakry, a sheltered deep-water port south of Dakar, which is the terminus of a railway reaching nearly to the Niger Valley and is a gateway to the rich and growing agricultural and mineral region of West Africa. This development was in part undertaken to make possible the shipments of iron ore through the port from an important new deposit, the development of which was in part also financed by ECA. ECA also financed a part of the cost of the Niger Valley Development project. This project was designed to improve native agricultural productivity as a means of meeting the problem of local food supply and for maintaining the export of essential fats and oils for European consumption. ECA also contributed to the financing of a road construction project in French Equatorial Africa, to development of a transportation system in the same area and a road project in the French Cameroons.

With respect to British West Africa, the FOA has already had informal discussions in the course of the last year with both the Gold Coast Government and the British Colonial Office on a major series of technical assistance projects for the Gold Coast. Of especial interest is the development of the Volta River Hydroelectric Scheme which will cost approximately $500,000,000 and will ultimately make possible production of some 200,000 tons of aluminum each year. This undertaking will be financed, if the present survey finds it an economically sound project, by the Gold Coast Government, the British Government and private British and Canadian companies. The U.S. may be requested to furnish technical assistance to this undertaking for political reasons. In British West Africa the U.S. has contributed to the cost of road development projects in the Gold Coast, Sierre Leone and Nigeria, and is now revising a project which was originally developed for a colliery in Nigeria. The road development projects were designed to give greater accessibility to productive areas and to thus increase the export of cocoa, cotton, palm oil and groundnuts. The road program also involved coordination with a project in the French territories to the north to provide a final link with the French Chad area. Arrangements for a technical assistance investment survey to be made in the Gold Coast have just been completed.

b. The 1955 Program - Technical Assistance $4,999,322
Special Economic Aid $6,000,000

For FY '55 the U.S. program in the French territories will be coordinated with the new four-year plan for economic and social development of the territories in the French Union. This plan proposes to devote a large part of available resources to the improvement of the land, equipment, techniques, health and education of the native population engaged in agriculture and in livestock raising and to develop natural resources through a contribution to the creation of necessary transport and power facilities. The U.S. program will consist primarily of projects in the reclamation and irrigation of land for native food production in French West Africa, where large areas adjacent to the region are flooded each year and where there there is a need for the construction of modest water control works in the low lying areas; and projects in agricultural extension work. Consideration will be given, jointly with the French to means for developing the water resources in the cattle areas of French West and French Equatorial Africa. These programs will be carried out through technical assistance and demonstration projects, including the provision of the necessary equipment . The U.S. will also assist in the development of natural resources in French West and French Equatorial Africa. This program will be an extension of the explorations undertaken in these territories for copper, manganese, columbite and tantalite and other valuable minerals in FY '54. Contributions will also be made to the development of transportation facilities to serve copper deposits in Mauritania.

In the British territories the U.S. will work with the British government and the territorial governments on industrial productivity, industrial and agricultural vocational training; public health; agricultural research, extension, and credit; and education. The program under development for the territories is designed to meet the everyday needs of the inhabitants of the territories. The program will help to develop through development banks, non-agricultural enterprises designed to relieve depressed living standards by creating additional employment opportunities. Both in Nigeria and the the Gold Coast there is a need for credit facilities for African artisans

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or entrepreneurs. The U. S. will provide training for Africans in the administration of credit institutions. Vocational training is another prime need in these areas. The U.S. program of assistance would ordinarily avoid the financing of the construction of schools but would provide equipment and technical assistance. In Nigeria discussions have already taken place regarding the establishment of trade centers for industrial training, to provide technical and commercial training.

The U.S. program would develop interterritorial projects in the field of public health for the control of and research on such diseases as malaria and trachoma. It is particularly important that a concerted attack on a cooperative basis be made throughout the entire region on disease in order that the best and most effective use can be made of the resources in men and money already committed by the various governments. One of the essential features of the program for the development and improvement of agriculture is the teaching of better agricultural practices to farmers. The program will provide training of extension workers and demonstration of new techniques in soil conservation, livestock management, use of fertilizer, improving practices of production of field products and use of insecticides.

Total U.S. Cost - $1,270,208
No. of U.S. Technicians - 75
No. of Training Awards - 51
Host Country Contribution - $2,040,500

I. RESOURCES AND NEEDS

Natural:

The Republic of Liberia is situated on the West Coast of Africa. It lies at the Southwest extremity of the Western bulge of the continent, some 1500 miles across from the Brazilian bulge. It has an estimated area of 43,000 square miles, about the same as the State of Ohio. Its coastline stretches 370 miles along the Atlantic Ocean, running from Sierra Leone, A British Colony, in the northwest to the Ivory Coast, a French Colony, to the southeast. From this coastline, the country extends inland for distances varying from 100 to 200 miles, rising fast and generally forming a series of ill-defined plateaus. Inland elevations average 600 to 1,000 feet in the south to 2,000 feet in the north. Low mountains occur throughout the country. Except for 2 ranges, the Nimba (4,200 feet) and the Male (4,500 feet), the elevation is rarely more than 3,000 feet.

Fifty per cent of the country's 24,000,000 acres is arable. Two million acres occupying the valley floors are suited to intensive cultivation of annual feed and food crops such as rice, cassava, maize and a variety of vegetables. About 5,000,000 acres occupying the lower foot slopes are adapted to tree crops and extensive methods of producing annual crops. Another 5,000,000 acres occupying the gentle to rolling upper slopes and hills are suited only to the production of tree crops. The remaining land, exclusive of town sites and wasteland, will probably remain in permanent forest.

Six principal rivers flow into the Atlantic Ocean, generally at right angles to the coast. They are the Cavalla, Cess, St. John, St. Paul, Loffa, and Mano. Excepting the Cavalla, no river is navigable more than a few miles inland. Sand bars obstruct the mouths of all rivers, making entrance from the ocean hazardous. However, the

steep gradients and rapids make Liberia's rivers potentially valuable as sources of electric power.

Agriculture is largely primitive in type with the exception of a few wealthy Liberians and the concessionaires, headed by the Firestone Plantation and the Liberia Mining Company. The universal tool is the cutlass, supplemented by crude home-made tools, axes and occasional hoes.

The principal crops produced by the natives are rice and cassava. In 1952 Liberia produced sufficient rice to feed her population for the first time. The only importation of this product was by Firestone for subsidy of its workers. The principal non-wage income of the people is obtained from the sale of palm kernels and palm oil. Wild oil palms grow throughout the country wherever the virgin forest has been cleared. Point 4 technicians have aggressively pushed the introduction of mechanical cracking devices. The yield has been increased from 55% to 75% by this technique.

By far the most important economic factor in the national income and trade of Liberia is rubber. The Firestone Company negotiated a 99-year lease with the Government in 1926. At that time, total annual exports were less than 400,000 dollars, less than 15% of which was with the United States. Since 1941, 4 years after rubber exports reached the million dollar mark, foreign trade with the U. S. A. has steadily increased to the point that approximately 90% of the export-import business of Liberia is with the U.S. A. To be sure, rubber and minerals have precipitated tremendous appreciation in the gross national product of this country and in the income of this country.

A precise summary of the mineral deposits cannot be made at this time. The Bomi Hills deposit of high grade iron ore (67%) is now calculated to be in excess of 100 million tons, presently excavated at an annual rate of 1¼ - 1½ million tons. The recent aerial magnetometer survey recorded favorable readings in other areas, particularly in the Putu Mountains. However, considerable ground surveying and prospecting is necessary before quantitive estimates can be made. This work will be carried on jointly by the Liberian Bureau of Mines, in collaboration with Point 4, and an American concessionaire who has recently concluded an 80-year agreement with the Government.

Human:

No census has ever been taken of Liberia. Present official estimates are based on the return of the annual "hut tax" and placed at between 1½ - 2 million people. Roughly 95% of the population retains its tribal customs and government. They communicate through 28 dialects. While the official language is English, only 5% of the population would be classified as literate. For its topography and demography the sparsely populated country has a very high capacity to absorb more people.

The foreign colony in Liberia is rapidly expanding and now numbers approximately 4,500. Of this number, approximately 3,500 are from other parts of West Africa, mainly Fanti fishermen from the Gold Coast. The remainder consists of American employees of Concessionaires, Syrian and Lebanese merchants and, to a lesser extent, English, Dutch, Spanish, German, Swiss and Italian Nationals.

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The compilation of an occupational index would reveal an extremely limited range of vocations being pursued by the indigenous population. At the top would be a small bunching in law, government service and teaching. In the skilled and semi-skilled categories, a marked gap is visible. The next bunching would be in subsistence farmers, peddlers, line fishermen, domestic and common laborers. The improvement of the educational and technical skills of this latter group is the key to permanent development of the Liberian economy. Well-conceived fundamental and vocational education projects can do a practical job of taking Liberians from there present level and equipping them to cope with the agricultural and industrial jobs which lie ahead as a result of present developmental activity. This concept is germane to the idea of preparing the masses for responsible and useful citizenship in the community of free nations.

The types of work which most western countries find of greatest value in economic improvement invariably require high standards and active performance of the people. In Liberia poor health imposes severe limitations upon these requirements. Two prevalent conditions contribute to this deficiency. They are hypoproteinosis and a high endemidity of infectious diseases. The principal factor in hypoproteinosis is inadequate and poorly balanced diet notably lacking in protein content. The chief infectious diseases are intestinal worms, malaria, diarrheal diseases, sleeping sickness and elephantiasis. At one time smallpox annually took a vast toll of lives. However, through Liberian-U.S.P.H.S. efforts, the disease has been reduced to the point where it is no longer a public health problem.

Capital:

Data on national income are virtually non-existent. However, it can be established that the bulk of this income is generated by wages paid by concessionaires, wages paid by government, and cash received from sale of surplus crops. On this basis the per capita income is estimated at 40 - 50 dollars per annum.

The major sources of governmental revenue are as follows : (1) Payments from concessionaires; (2) Customs receipts; and (3) Internal revenue derived from hut taxes and limited personal and corporate levies. Profits are freely exported without taxation. From 1934 to 1942 the total annual revenue was annually below the million dollar mark. The country was barely able to service her debt and carry on the major functions of government. Little money was available for self-help. Beginning in 1945 when total revenue reached 2 million, the Government made generous appropriations for social and economic improvement to the point that almost ½ the annual budget is now devoted to such purposes. During 1952 the price of rubber dropped sharply, thereby precipitating a 19% decline in governmental income. In subsequent years this decline will be offset somewhat by an increase in other concession payments, the revised Liberia Mining Company being an example. However, this experience has clearly substantiated Point 4 argument for diversification in the economy. The present work in forestry development and crop variation takes cognizance of these considerations.

Liberia in the past had no highway system. One principal road linked the country from Monrovia to French Guinea. There is a small web of tertiary roads around Monrovia and a few random segments about the country.

None of these is connected with any trunkline. The need for all weather farm-to-market roads is urgent. The basic arterial highway system has been plotted. Approximately 5 million dollars has been made available for road construction by the Export-Import Bank. When put with current revenue funds it is projected that a minimum all-weather system of roads will be operative by mid 1955.

II. GENERAL SITUATION

Liberia, a relatively small under-populated country, is the only independent nation in West Africa. Historically, her ties with the United States are close. The country of itself is void of industry or the basic elements of cheap power, transportation networks, and labor upon which modern fabrication can be built. Until very recent years, then, the economy was fairly static at a level far below minimum health and decency standards. The largest single socio-economic factor in the country was the Firestone Plantation, largely concerned with the growing of rubber.

The United States tendered its first substantial assistance to Liberia during World War II in connection with the shuttling of troops and planes to North Africa. An airbase, Robertsfield, was constructed at Harbel and a U. S. Public Health Mission was brought into combat tropical diseases. Subsequently, the Foreign Economic Administration sent in a small mission to stimulate the export of strategic commodities and to increase domestic food production in order to reduce or eliminate the need for Liberia to draw upon short world supplies.

It was considered practical to keep these 2 small field parties in the country after the war. FEA made extensive surveys of the resources and potential of many segments of the economy. It was made quite clear that the immediate needs of Liberia are for more food for consumption, better health and sanitation, and adequate educational facilities if the population is to be aided. To expand commerce and industry further requires a basic all weather highway system and electric power facilities. The financial outlay necessary to satisfy these needs is staggering. However, as development activity was begun it was rightly projected that increased opportunities for employment and small business ventures, combined with the efforts of concessionaires, would generate additional revenues with which to effect further economic and social advancement. The aim was not to descend upon the country and overnight impose a western-type modernization but, rather, to take such facilities and techniques as are found and improve upon them with a frame of reference that is understood and manageable by the native. Instead of utilizing expensive and sometimes complicated farm machinery, then, a Production Specialist would introduce simple but effective hand tools; instead of concentrating upon professional and/or specialized training for the select upper 5 per cent, the emphasis would be upon semi-skilled and vocational training for the masses. No comparable state could be expected to maintain a place in the sphere of democratic nations unless it develops and perpetuates a relatively self-sufficient middle class, the backbone around which enlightened change is brought.

To implement a comprehensive program of this type is not a short time proposition. It is estimated that 20 years of organized effort, backed by considerable financial outlays, would be required to substantially ameliorate the education problem. Given the funds, a basic highway system could be operative within 7 years. The clear alternative to planners was either a substantial program based upon extensive grants-in-aid or to gear a development program to the resources and fiscal capacity of Liberia, thereby resulting in a longer, more gradual resolution of problems. The peoples of this Republic wished, and received, that type in which they might participate as full partners. Consequently, the approach to technical assistance in Liberia is more nearly in line with the latter alternative.

There are 4 U. N. agencies operating in Liberia presently and utilizing approximately 20 technicians. ILO is working on labor legislation. FAO is working on agriculture statistics, fish processing, rice processing, and cocoa production. WHO is working in malaria and yaws control in the hinterland. UNESCO is working in fundamental education service training. Close liaison is maintained and areas of operations have been so blocked out that duplication is at a minimum and each party pursues those activities for which it is best equipped.

The major private development programs are being carried on by the Liberian Development Company, Firestone Tire and Rubber Company, LeTourneau of Liberia, Inc., and Republic Steel. In addition to these commercial activities, they foster improvements in roads and health which are compatible with Point 4 aims.

III. THE PROGRAM

1. General Plan and Objectives.

The technical cooperation program in Liberia is designed to provide an optimum amount of technical assistance within the absorptive capacity of the country, train locals to carry on the work of economic development in every functional field, and exert a positive impact upon the large indigenous population, and consequently, upon the economy of the Republic of Liberia.

Since Government revenues are inadequate to wage an across-the-board attack upon hunger, disease, poverty, and ignorance, basic facilities lacking for the technical specialist and no sizable reservoir of manpower potential which can be adapted to undertake professional responsibility in the short run, therefore a complete, long-time training program must be attempted if the gains made during the tenure of Point 4 are to be preserved, effectively administered and, indeed, improved upon.

The sequence of priorities is established on the basis of those projects which are most urgent to a balanced social and economic program and practical from the standpoint of finances and manpower, maintenance and completion.

The principal objectives of the Country Program for Liberia are as follows:

1. To get the basic arterial highway system now contemplated or for which money has been provided under actual construction, and to

complete the surveys necessary to complete planning and designing of the entire program.

2. To continue an aggressive program of increased food production with special emphasis upon swamp rice planting, fresh and salt water fishing, cocoa, citrus fruits, and improved varieties of indigenous crops. The year 1952 marks the first one in which Liberia did not have to import rice for its people (the one exception was limited quantities imported for subsidy purposes by the Firestone Plantations). Cash from sale of surpluses is an excellent prospect for large numbers of small farmers in the coming years.

3. To pursue an expanded program of vocational, elementary and teacher education to (1) raise the level of general usefulness of the indigenous population, and (2) expand the number of artisans, trained farmers, and sub-professionals essential to the creation and maintenance of an autogenous income middle class, the backbone of a free economy.

4. To extend public health practices (with emphasis upon malaria control, sanitation, and health education) to the interior of the country while continuing to support projects in nurse training, midwifery, administrative practices, research, pathology, and endemic disease control.

5. To conduct an extensive on-the-job training program at the sub-professional level, and an expanded scholarship program at the professional level as a device for replacement of American technicians by competent locals.

These objectives are founded upon the conclusions reached in an analysis of the deterrents to Liberian economic development.

Vital to expanded trade, to improved communicative media, and to overall development of Liberia is a basic all-weather highway system which "opens up" the hinterland to commerce and to new methodology in health and in education. Farmers are not harvesting cocoa due to their inaccessibility to commercial outlets. The correction of this marked deficiency is therefore of top priority to the Government of Liberia and to Point 4.

It has been determined that inestimable increases in food production can be achieved by the utilization of swamp areas for rice, by improving upon techniques of planting indigenous crops and upon crop varieties peculiarly suited to the area. This objective is conceived to (1) diversify the crop composition of the farm economy, (2) balance the diet of substances farmers, thereby improving their productivity, and (3) generate surpluses marketable in the several rapidly expanding municipal centers of population.

Liberia presently has no institution which can supply a representative number of tradesmen, farm operators and technicians for business, community sanitation, industry, and/or concessions. The scarcity of reasonably competent labor will loom shortly as a major deterrent to prospective commercial

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investors and to the economic development of the country.

Disease is a major contribution to low productivity and to retarded learning. It is a threat to economic progress. A program directed to improve this condition must undertake the initiation of preventive and remedial practices to keep its harmful effects at a minimum.

To effectively produce professional replacements of Point 4 technicians in several strategic areas (engineering, health, education, agriculture) will for some time require training abroad. It is deemed expedient to cooperate with the local government in its efforts to assist promising students in securing such education.

2. Chronology of Agreements

Two general program agreements and one project agreement, with an accompanying joint fund, were signed in FY 1953. Limited joint funds have also been established under the former.

Title	Date Signed	U.S. Contribution	Lib.Gov. Contribution
Liberian-American Joint Fund for Technical Cooperation and Aero Service Corporation	12/15/52	$300,000.00	$234,000.00
Agreement for a Cooperative Program of Agriculture (for Pilot Market)	6/23/53	20,000.00	12,000.00
Agreement for a Cooperative	6/23/53	40,000.00	21,000.00 & Land

3. Financing and Organization

The overall agency responsible for the promulgation and implementation of technical assistance programs and projects in Liberia is the Joint Liberian-United States Commission for Economic Development. This 13 man body is composed of 7 Liberians (the 4 Department heads directly engaged in Point 4 programs plus the Attorney General, the Secretary of Treasury, and the President's Economic Advisor) and 6 Americans (the 4 principal Chiefs of Party, the Country Director and the Executive Officer). Within the precepts of the 5-year plan for economic development, the Commission is responsible for developing and recommending to the Government the complete technical assistance program for Liberia.

Toward this end all planning from the project level upward is jointly conducted by Liberians and their American counterparts. The present relationships are such that this body has pursued its aims with a minimum of difficulty.

The Liberian Legislature annually appropriates 20% of the government revenue for direct support of Joint Commission projects. A 6½ million dollar line of credit issued by the Export-Import Bank is being used for road construction and a water sewerage system in Monrovia. In addition to these finances, additional funds appropriated in the general budget are earmarked for the furtherance of Joint Commission projects.

In calendar year 1953 the Liberian Legislature went beyond the 20% formula and, with

anticipated revenues of 9.5 million, appropriated 2 million dollars for the direct support of development work. In calendar year 1952 the appropriation was 1.6 million dollars.

In addition to the funding arrangements discussed above, there is an increasing tendency for local governments (i.e. townships and clans) to contribute toward the financing of specific functional programs in their areas.

COUNTRY LIBERIA

[redacted]

TABLE VII

APPROPRIATION FY 1955

OBLIGATIONS BY ACTIVITY AND COST FACTOR
Fiscal Years 1953, 1954 and 1955
(Thousands of dollars)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
Agriculture and Natural Resources	1/					
1953	273	34	204	—	—	35
1954	461	11	406	5	10	34
1955	419	26	314	8	25	54
Health and Sanitation						
1953	316	137	161	—	—	18
1954	315	78	222	6	12	3
1955	321	43	238	10	25	15
Education	1/					
1953	145	78	17	--	10	40
1954	140	34	96	4	10	—
1955	164	27	102	20	30	5
Transportation and Communications	1/					
1953	508	16	173	—	—	319
1954	211	15	196	—	—	—
1955	269	14	220	8	20	15
Industry and Mining						
1953	—	—	—	—	—	—
1954	7	—	—	4	7	—
1955	—	--	—	—	—	—
Public Administration						
1953	43	1	42	—	—	—
1954	106	2	78	3	6	20
1955	55	4	40	3	6	5

[redacted]

LIBERIA (Continued)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
General and Community Development						
1953	396	181	170	—	—	45
1954	17	1	16	—	—	—
1955	42	3	30	2	5	4
Total						
1953	1681	447	767		10	457
1954	1257	141	1014	22	45	57
1955	1270	117	944	51	111	98
Memorandum				Joint Fund		
1953				360 1/		

1/ Included in individual activities.

October 24, 1953

AGRICULTURE AND NATURAL RESOURCES

Total U.S. Cost $418,783
No. U.S. Technicians 27
No. of Training Awards 8
Host Country Contribution $540,000

Objectives: To assist the Government of Liberia in increasing food production, developing its large timber potential, administering a long term program of plant disease control, insect investigation, expanding a program of Agricultural Extension and assisting in inventorying the vast timber and mineral resources of Liberia, and planning their development.

Problems in the Field of Activity: The principal problem in this area is one of diversifying the agricultural crops as opposed to the cash one-crop (rubber) practice of many years standing. The number of reasonably well-trained technicians is severely limited; the high rainfall 80" - 180" annually) causes serious erosion; the food crops grown for subsistence result in serious deficiencies in proteins, calcium, and phosphorus; transportation facilities are limited. These and other problems are notable throughout the country, in addition to a deficiency of internal capital for the development of natural resources.

Existing Programs: The Liberian Government has instituted an agricultural development program designed to provide a balanced diet, and increasing farm cash income. The Liberian Department of Agriculture has established a Central Experiment Station (applied research) and five sub-stations for extension work in the provinces; undertaken a survey of the timber potential and given encouragement to the development of a timber industry; assistance in commerical marine fishing, fish preservation, and the pond culture of fish. An inventorying of natural resources is being accomplished through aerial and magnetometer surveys of the country, and a program of exploitation of mineral resources is in progress.

Local Organization: The Technical Cooperation program is administered through the Liberian-United States Joint Commission for the Economic Development of Liberia. The Liberian Secretary of Agriculture, the U.S. Agricultural Advisor, and the U.S. Public Works Advisor, who have the responsibility for the natural resource development, are members of this Joint Commission. The American advisors work directly with the Liberian Cabinet Ministers in the planning and execution of projects approved by the Joint Commission, and are jointly responsible to the Commission.

Major Activities in FY 1955

Research: - $152,300

Continuation of technical assistance in the operation of a Central Agricultural Experiment Station and 5 sub-stations dispersed throughout the country; improvement in the dissemination of technical information with emphasis upon swamp rice production, soil conservation, crop rotation, pasture development for livestock, and the improvement of indigenous food, feed, and fiber crops.

Progress to Date

Central Experiment Station, a model on West African Coast, and 5 substations have been completed and are carrying on an increasingly recognized program. The first publications for popular consumption are released. The use of these facilities is rapidly expanding.

Agricultural Extension - $79,500

Continuation of assistance in increasing productivity of the family at the village level through the introduction of better seed, small hand tools, youth and adult organizations, improved breeds of livestock and poultry, better housing, sanitary privies, and safe drinking water; emphasis placed on production of swamp rice, improved indigenous food, feed and fiber crops.

Fourteen hundred villages are being serviced. Five hundred acres of swamp rice planted. Palm kernel cracking and procuring has been revolutionized to increase yield through more efficient methods. Because of the introduction of improved seed and fertilizer for the first time no rice was imported into Liberia for commerical distribution.

Vocational Agriculture - $18,600

Continuation of assistance in providing vocational agricultural training in the Schools, stimulating interest on the part of young people in the field of agriculture, advice in improved agricultural practices at the University level.

One hundred students are now regularly enrolled in such classes. Several Future Farmers clubs have been organized, agricultural councils have been established in the larger population centers.

Forestry - $31,300

The making of boundary surveys, technical assistance in the management of public forests, essentials to the conservation and protection of 7 million acres of unexploited high forests and 2 million acres of trees about 80 years old. Increased emphasis upon the marketing of Liberian timbers, advising concessionaires and the completion of boundaries for national and tribal reserves.

A wood identification key to species has been developed and is being published in the American Journal of Forestry. A Forest Conservation Act was passed by the last legislature. An index of markets for timber have been located and are being made available to private industry.

Fisheries - $33,800

Continuation of assistance in the development of hatcheries for stocking streams and new fish ponds in the hinterland working toward an objective of 25 stocked fresh water ponds, increasing marine fish production by demonstrating commerical techniques with gear already provided to local fisherman, in order to supply the fish needed in both littoral and inland areas as a main source of proteins.

A fish pond to feed several hundred people is nearing completion at Cuttington College. Stocks of Tilapia are being developed for distribution to farmers. Progress in the increasing of production of the marine fisheries, by the introduction of new types of nets, trolling and spoons, and a study of fish life habits, has resulted in catches never before known in Liberia. The price of fish in the market in Monrovia has declined by one-third in the past year. A study of improved methods of preservation is in progress, and a study of shell fish potential is underway.

Meteorological Service - $16,200

Assistance in the establishment of an effective collecting service for reliable weather data for international weather forecasting, and possible future hydroelectirc development which will require river-level change records. The training of sub-professional Liberian meteorologists is the major part of this project.

Twenty-four weather stations are now in operation, and the reporting system is improving. Stream gauging on the St. Paul River has begun.

Geology and Mines - $17,800

Assistance in developing accurate and dependable field observations and reliable reports of the resources of Liberia, instruction and encouragement of Liberian prospectors and organization of reliable analytical facilities for mineral samples.

A magnotometer survey has been completed under contract with the Aero Service Corporation, and developmental survey work in specific areas is being undertaken by the Liberian Bureau of Mines.

Cartographic Service - $69,283

Economic planning by using the aerial mosaic of Liberia to make maps of special areas and the distribution of mineral deposits, timber, and other natural resources, and for port development. The Cartographic Service will complete the 13% of Liberia which has not been photographed in the aerial survey.

Eighty-seven per cent of the country surveyed; hydrographic surveys made at Cape Palmas to aid in developing plans for a shallow water port; training given in photographic techniques and in the operation of reproduction equipment.

HEALTH AND SANITATION

Total U.S. Cost- $321,175
No. of Technicians- 19
No. of Training Awards- 10
Host Country Contributions- $340,500

Objectives: The development of an adequate system of health centers in the interior of Liberia, water sanitation facilities, the provision of proper sewage disposal, insect control, and training aimed at a reduction in malaria transmission, in helminthic, protozoal, and bacterial infections. The expansion and improvement of the quality of training in nursing and in the laboratory diagnosis of disease.

Problems in the Field of Activity: The combination of endemic diseases and sub-standard public health practices which contribute to ineffective manpower, low productivity, high infant mortality, and lowered life expectancy significantly affect the economic potential of the country. From among the many needs, the task of FOA is to develop a selective program in which available resources may be most effectively utilized.

Existing Programs: The present programs of the Liberian Public Health Service in cooperation with FOA emphasizes training because the available staff is too small to make any impact upon the objectives in any other way. There is a nurses training program, training of laboratory technicians, training and practice in techniques of malaria control and public sanitation, and rural health clinics which are centers of training in sanitation and health practices.

Local Organization: The Public Health Program in Liberia is the subject of regular policy conferences between the Director-General of Public Health Service and the Point 4 Advisor who also is a member of the Advisory Council. Program planning is the work of the Director-General in cooperation with the Advisor. Funds are budgeted on a matching basis. TCA primarily contributes technicians with limited supplies and equipment. Liberia contributes salaries of local personnel, transportation, equipment, supplies and construction monies. Point 4 technicians are integrated into the regular operations of the Public Health Service.

Major Activities in FY 1955

Administration - $45,600

Providing technical assistance to the Director-General of the Public Health Service, to assist in improving personnel methods, budget and fiscal procedure, supply and equipment control and disbursing procedure.

Progress to Date

Assistance provided in budget and fiscal submission, together with comprehensive programming of an $800,000 increase in Departmental Budget includes planning for four hospitals, a tuberculosis sanitorium at Congotown and two health centers at Webbo and Saniquelle.

Malaria Control - $77,800

Technical assistance in reducing malaria incidence through accepted scientific approaches to special local vectors.

Extensive swamp draining conducted in Monrovia and Bushrod Island areas. Health education program underway. Mass malaria survey underway, together with clinical services for advanced cases.

Rural Health Demonstration Project - $73,000

The operation of a model rural health clinic and training of sub-professional midwives and sanitarians in the interior of Liberia.

One such clinic established at Gbarnga in 1952 and continuing successfully. 17,233 patients examined and treated at the Rural Health Center at Gbarnga in addition to intensive training of selected sub-professionals.

Medical and Nurses Training - $67,400

Scholarships for medical training abroad, nursing instruction provided in the Tubman School of Nursing, and the training of laboratory technicians.

Nine nurses graduated in 1953 from the Nurse Training School. Six midwives also received certificates. Three graduate nurses returned from the United States after one year of orientation experience and academic work. One sanitation officer and three laboratory technicians returned after training at the American University of Beirut. 26,193 laboratory tests completed at the Public Health Clinic. Pathology service made available to practitioners for the first time in the Republic.

Research - $57,375

Accumulation of information of anopheles gambia melas (blackish water mosquito), bilharzia disease control through use of an effective agent against the intermediate carrier snail and control of the insect responsible for filariasis which produces blindness.

Technical studies underway.

EDUCATION

Total U.S. Cost-	$163,750
No. of U.S. Technicians-	8
No. of Training Awards-	20
Liberian Contribution-	$290,000

EDUCATION (cont.)

Objectives: The improvement of rural education and teacher training through better school facilities, by training teachers and administrators, and by expansion of the scholarship program, continuation and expansion of a program designed to diversify and enlarge the sphere of vocational training for the indigenous population, and assistance in the planning of the school building program now underway in Liberia.

Problems in the Field of Activity: Less than 5% of the population is literate in English, the official language, and less than 10% of the school age population is in school. In cooperation with the Liberian Government, U.S. technical assistance seeks to develop basic general and vocational education in order to create in Liberia an informed middle class of artisans and sub-professional workers.

Existing Programs: Rural education and teacher training in summer sessions has had the greatest impact thus far. A joint elementary demonstration school is in progress, and administrative practices within the Department of Public Instruction are showing improvement. Several teachers are taking supervisory and elementary training in the United States.

Local Organization: The U. S. Education Advisor and the Liberian Secretary of Public Instruction are members of the Liberian-U.S. Joint Commission for Economic Development. The Education Advisor works at the policy making level of the Department of Public Instruction, and is also called upon to assume operational responsibilities pending transfer of the functions to qualified Liberians. The results to date are conducive to the furtherance of mutual objectives.

Major Activities in FY 1955

Progress to Date

Rural Education and Teacher Training - $115,350

Demonstration in rural education and teacher training, summer schools for teachers, audio-visual aids services and demonstrations, and pre-vocational training in the rural and elementary schools. Provide assistance in improved administrative backstopping services including techniques, better supervisory practices, improved record keeping, filing, production of inexpensive materials, provision of supplies and equipment for operations of the Office of the Advisor.

1100 elementary teachers (95% of all teachers in Liberia) from 300 communities received professional training last year. Supervisory workshops embracing all inspectors, supervisors and principals of Government schools were initiated.

Student Scholarships - $30,000

The selection of Liberians to study abroad in technical fields, with the view of preparing them for leader roles when they return.

287 students receiving on-the-job training in education, agriculture, public health, engineering and public administration. Thirty-one training awards for studies abroad granted in the period 1951-53.

Two such trainees now occupy sub-cabinet posts in the Liberian Government.

Morrovia Demonstration Elementary School - $18,400

Continuation of demonstration-observation facilities for the teacher training program in conjunction with the William V. S. Tubman Teacher Training College, the only demonstration facility of its kind in Liberia.

Early in 1953 the Monrovia Demonstration School was established, the first elementary school in Liberia to have an all college-trained staff. One hundred sixty-three students (including 7 Americans and 2 foreign nationals) are presently enrolled.

TRANSPORTATION & COMMUNICATIONS

Total U.S Cost- $269,332
No. of U.S. Technicians- 17
No. of Training Awards- 8
Liberian Contribution- $821,000

Objectives: The development of a basic arterial highway system, largely comprised of farm-to-market roads, improvement in the administrative and fiscal techniques utilized in managing the affairs of the Department of Public Works and Utilities and improvement in the design and construction of public buildings.

Problems in the Field of Activity: The evidences are convincing that the natural resources of Liberia (mineral deposits, forest reserves, and power) are considerable. An all-weather highway system is an absolute necessity to their development, as well as progress in trade, education and health. Where need is so vast and revenue so limited, the major problem is that of devising a plan which represents the best balance between need and funds. As a result, it has been necessary to conduct numerous surveys, to explore a wide variety of alternatives in quest of that practical solution consistent with the factors. Initial accomplishment was necessarily slow.

Existing Programs: The existing program emphasizes technical assistance in road survey and design, and aiding the Liberian Department of Public Works and Utilities in preparing contracts and publicizing these contracts for bids.

Local Organization: The Public Works Advisor shares offices with his counterpart, the Secretary of Department of Public Works and Utilities. Jointly, they develop the basic plans of operation within the framework of the overall objectives set forth by the Joint Commission. Point 4 technicians presently hold functional positions within the Liberian Government. As qualified Liberians are developed these direct responsibilities are relinquished for an advisory role.

Major Activities in FY 1955	Progress to Date
Highway Construction - $258,200	
Technical assistance to the engineers and pre-engineering members of the Department of Public works and Utilities and advise with respect to construction of road system.	Shop for heavy construction equipment established; 6 major highway surveys completed; contracts let for first 31 miles of the road system.
Administration - $11,132	
The establishment of a budget and fiscal system for the Department of Public Works and Utilities, improvement in personnel management; and improvement in construction procedures in connection with construction and repairs.	A comprehensive revision of the personnel management completed and submitted to the Secretary; rental and billing procedure on equipment developed and placed in operation; equipment inventoried and marked.

PUBLIC ADMINISTRATION

Total U.S. Cost- $55,000
No. of U.S. Technicians- 2
No. of Training Awards- 3
Host Government Contribution- Unknown

Objectives: Improvement in Public Administration practices in Liberia with emphasis upon the areas of organization and methods, budget and fiscal control, and procurement and personnel. Establish an organization capable of taking a complete census and maintaining accurate foreign trade statistics.

Problems in the Field of Activity: The improvement of governmental machinery, is a basic problem in the matter of economic development. At the same time, it is a most difficult area in which to operate because assistance by a foreign government, however well conceived, is too often viewed with suspicion and fear of ulterior motive.

Major Activity in FY 1955	Progress to Date
A comprehensive inventory of existing administrative services, looking toward the recommendation of a practical program of legislation and procedure revision for improvement of the executive branch of the Government.	This will be a new project in FY 1954.

GENERAL AND COMMUNITY DEVELOPMENT
Total U.S Cost- $42,168
No. of U S. Technicians 2
Training Awards- 2
Host Government Contribution- $49,000

Objectives: The urban development of Monrovia, including the provision of a water and sewage system and basic town planning.

Problems in the Field of Activity: The major problem is trai ing, for in this field there were originally no more than semi-prepared trainees. The activity must at present be limited to Monrovia, where the need is great.

Existing Programs: The Liberian Government has undertaken a program in municipal engineering and public building architecture.

Local Organization: These activities are functionally under the Liberian Department of Public Works and Utilities and the two technicians are directed by the U.S. Public Works Advisor.

Major Activity in FY 1955	Progress to Date
Municipal Engineering - $21,870	
Expansion of current activities to include training in zoning plumbing and sewerage inspection, etc.; expansion of technical assistance to include 2 other towns (other than Monrovia)	Organization of the Division of Minicipal Engineering is now accomplished. Reflected in: property control surveys, zoning of Monrovia; master map of Capital; building inspection initiated; collaborating with consulting engineers in installation of water and sewerage system.
Architectural Services - $20,298	
To provide technical assistance in the design and construction of public buildings. To train architectural draftsmen and estimators.	Suakoko Central Experiment Station completed; inspection service provided for government construction projects; plans and designs completed on 10 public buildings. Six on-the-job trainees now attaining sub-ppofessional skill.

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SOUTH CENTRAL AFRICA

U. S. Cost - Technical Assistance- $2,113,000
Special Economic Aid - 4,000,000

South Central Africa consists of the British territories of Northern and Southern Rhodesia, Nyasaland, the Belgian Congo and the Belgian Trusteeship of Ruanda-Urundi, the Portugese African provinces of Angola and Mozambique and the French territory of Madagascar. The latter territory has been included in this region because it is geographically close to South Central Africa and not because of any geographic similarity. Madagascar is an area distinct in itself.

1. General Situation.

SOUTH CENTRAL AFRICA:

	Status	Area (Sq. Mil.)	Total Pop.	European Pop.
Northern Rhodesia	Colony	288,130	1,866,000	32,000
Southern Rhodesia	Self-Gov. Colony.	150,333	2,101,324	136,017
Nyasaland	Protectorate	47,404	2,349,000	3,000
Belgian Congo	Colony	904,757	11,662,698	67,977
Ruanda-Urundi	UN Trusteeship	20,900	3,911,067	4,325
Angola	Overseas Prov.	486,079	4,111,796	85,000
Mozambique	Overseas Prov.	302,700	5,732,767	48,910
Madagascar	Colony	241,094	4,203,177	44,517

The South Central African region stretches across the continent south of the equator and is more than 2/3 the size of the United States and has a total population of approximately 31,734,652 people. There is sufficient similarity among these territories to warrant their being treated together as a region and it is the regional character of the problem of this area in which the United States has a very real concern.

The Portuguese territories are among the least developed in Africa, are provinces of Portugal and, in so far as administration goes, are essentially a part of Portugal. The Belgian Congo is among the most advanced of all overseas territories in its physical and economic development, but it is still administered from Belgium although it does have some autonomy in economic matters. Both the Rhodesias, North and

South, are advanced in development beyond the Portuguese territories, but not to the same extent as is the Belgian Congo; however, Southern Rhodesia is the most advanced territory politically in Africa and has formed a federation with Northern Rhodesia and Nyasaland, which will probably have something akin to dominion states in the Commonwealth.

This group of territories forms a logical grouping for programming since there is an important relationship in the production and transportation of raw materials which is the major economic activity of the area. The copper belt of Southern Congo and Northern Rhodesia is the most important single producing area of raw materials in Africa, particularly of copper, cobalt, and uranium. Its production of manganese is becoming increasingly important. Because of the land-locked character of this area, the import of equipment and supplies and the export of raw materials must go through other territories of the region. In considering the production of this area it is necessary to consider the transport facilities in the other territories which lie between the mines and the seacoast.

In addition to the materials derived from the copper belt, the Belgian Congo produces industrial diamonds and is practically the sole source of diamond bort. It is also a large producer of tin; is of growing importance as a producer of columbito, tantalite and tungsten, one of the largest producers of palm oil and the only important producer of quinine outside of Southeast Asia.

Southern Rhodesia produces chrome, asbestos and mica, as well as numerous other materials in smaller quantities. Angola and Mozambique are of particular importance, not for their current production of materials (although they have major potential resources), but because they contain the harbors through which the materials produced in the interior, the Rhodesias and the Congo, must find their outlet to the sea. There are located in these territories three of the most important African ports from the standpoint of the export of critical materials. In addition to their importance for this purpose, Angola has shown particular promise as a mineral producer in its own right, with relatively important amounts of manganese and industrial diamonds.

II. The Program - Technical Assistance - $2,113,000
Special Economic Aid - $4,000,000

The major interest of the United States in the South Central area of Africa is in the improvement of conditions of transport, power and labor supply to such an extent that the area can maintain its present position and even increase its contribution in materials to free world production. Insofar as the producers in the Congo and the Rhodesias are concerned, this is particularly important because these producers are already providing substantial amounts of materials, and exploration has disclosed considerable reserves for the future. There is a real possibility of expanded output. The basic factors inhibiting the expansion of output for these producers is-in order of importance - transport, power and labor. For areas such as Angola and Mozambique it is important to get under way an improvement of the transport facilities necessary to the expansion of production and general surveying and exploration necessary to prepare the way for expanded materials production in these countries themselves. The maintenance of the current level of production, as well as expanded production, requires a balanced economic development and social progress which will meet the needs of the Africans.

In the past ECA/MSA participated in the Congo road development project through financing the cost of road building equipment; has provided assistance for a soil survey; has participated in the development of electric power facilities and rendered assistance for the development of the Congo waterways which are so essential to transportation in the region. In 1952 ECA undertook a study of agriculture conditions in the Congo which has provided the base for technical assistance operations since that time. The Belgian Congo is in the strongest financial position of all of the African territories and FOA expects in the future to restrict its assistance to the Congo to technical assistance projects and to demonstration projects which will make available to the Congo specialized U. S. techniques not available elsewhere primarily in the field of agriculture.

ECA advanced to Southern Rhodesia $14 million in sterling from counterpart funds for the Rhodesian railways to help finance expanded facilities with repayment to be made in copper. This expansion of rail facilities was essential to make possible increased deliveries of coal to the copper region of the north for industrial power. Surveys were made by ECA consultants of the ports and recommendations were made for the improvement of the ports of Beira and Lobito. The Pafuri cut-off recommended by the railway survey has been undertaken and a part of its cost financed by IBRD and Eximbank. The U. S. will undertake a survey of the energy requirements of the entire region in order to develop long term solutions to the problems in the region.

ECA has financed in part the cost of road projects in Northern Rhodesia. It has financed on a loan basis the development of the Port of Beira to make possible increased shipments of chrome; has provided funds for a geological survey in Angola and Mozambique; and made an agricultural survey in Angola on the basis of which technical assistance projects are now being carried out.

In FY '55 the U. S. will develop a project for the reclamation and irrigation of land for rice cultivation in Madagascar. This will be a joint technical assistance project undertaken with the French. The French have made surveys and completed plans for an extension of their efforts in this area to bring about a further increase in rice production both for domestic consumption and for export. The surveys have been completed for the irrigation of 27,000 hectares and for the substantial improvement of water control an additional 30,000 hectares. The French Government is submitting its entire program for rice cultivation in Madagascar to FOA for review and possible assistance. FOA expects in FY '55 to continue its efforts with the Portuguese through technical assistance and demonstration projects in the field of agriculture to increase food production for local consumption and for export. The program in '55 will further be concerned with the development of natural resources in south Central Africa through the surveys, exploration and contributions on a loan basis to the development of transport, power and ports.

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DOMESTIC PROGRAM COSTS

All African Countries----------$500,000

245

DOMESTIC PROGRAM COSTS (Section 203 only)

Funds to be transferred to other U.S. Government Agencies in reimbursement for expenses incurred in connection with technical advice and administrative backstopping of U.S. Technicians and foreign trainees.

	1954	1955
The Near East and Africa	$860,000	$1,125,000

The 1955 estimate is based upon a mathematical extrapolation of the ratio of the 1954 Domestic Program Costs to total technician and trainee costs in 1954.

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FOREIGN OPERATIONS ADMINISTRATION

NEAR EAST, SOUTH ASIA AND AFRICA
FY 1955 APPROPRIATION REQUEST

STATISTICAL ANNEX

TABLES VI, VIII - XVII

By Country

NEAR EAST AND AFRICA
STATISTICAL ANNEX

October 29, 1953

FY 1955 Bureau of the Budget Presentation
CHECK LIST OF TABLES

AREA	VI	VII 4/	VIII	VIII-A	IX	X	XI	XII	XIII	XIV	XV	XVI	XVII
NEAR EAST													
Egypt	X	X	X	X	1/	X		X		X	X	X	X
Iran	X	X	X	X		X		X			X	X	X
Iraq	X	X	X	X				X				X	X
Israel	X	X	X	X		2/	X	2/	X	X	X	X	X
Jordan	X	X	X	X		X	X	X				X	X
Lebanon	X	X	X	X				X		X		X	X
Saudi Arabia	X	X	X	X		X		X		X		X	X
Syria	X	X	X	X									
Regional Projects	X	X	X	X									X
AFRICA													
Independent Countries													
Ethiopia	X	X	X	X		X		X				3/	X
Liberia	X	X	X	X				2/				X	X
Libya	X	X	X	X		X		X				X	X

1/ To be prepared separately.

2/ Not submitted by country.
3/ Material submitted by country incomplete.
4/ Tables VII accompany narrative statements.

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APPROPRIATION FY 1955
COUNTRY EGYPT

OBLIGATIONS BY ACTIVITY AND SUB-ACTIVITY
(Thousands of Dollars)

TABLE VI

	PROGRAM AGREEMENT OBLIGATIONS						TOTAL
		FY 1952 FUNDS			FY 1953 FUNDS		FY 1953
	Total	Reserved*	Unreserved	Total	Reserved*	Unreserved	Obligations
AGRICULTURE & NATURAL RESOURCES							
Plant Production & Dev. - Fouka Desert Proj.	-	-	-	110	104	6	
Plant Production & Dev. - Hybrid Corn	-	-	-	29	29	-	
Livestock Imp. & animal Husbandry	-	-	-	152	151	1	
Livestock Imp. & animal Husbandry-Poultry	-	-	-	100	97	3	
Pest Control	-	-	-	5	5	-	
General Operations - Agric.	-	-	-	97	-	97	
General Operations - Fisheries	-	-	-	275	-	275	
Prelim. Water Resources Surveys	-	-	-	300	300	-	
Ground Water Supply	-	-	-	121	-	121	
Ground Water Supply - Pump Drainage Upper Delta	-	-	-	166	20	146	
General Operations - Land Resources	-	-	-	132	-	132	
Total Program Agreement Obligations	-	-	-	1487	706	781	1487
Agric. Trainees							14
Agric. Technicians							125
Fisheries Technicians							4
Water Resources Trainees							13
Water Resources Technicians							4
Land Resources Trainees							21
Land Resources Technicians							40
Total Obl. Inc. Tech. & Trainees	-	-	-	-	-	-	1708
HEALTH & SANITATION							
Environmental Sanitation - Land Mgmt.	-	-	-	125	-	125	
General Welfare	-	-	-	3	3	-	
Total Program Agrmt. Obligations	-	-	-	128	3	125	128
Env. San. - Trainees							18
H&S Technicians							15
Welfare Trainees							16
Welfare Technicians							43
Total Obl. Inc. Tech. & Trainees	-	-	-	-	-	-	220

APPROPRIATION FY 1955
COUNTRY EGYPT

	PROGRAM AGREEMENT OBLIGATIONS						TOTAL
	FY 1952 FUNDS			FY 1953 FUNDS			FY 1953
	Total	Reserved*	Unreserved	Total	Reserved*	Unreserved	Obligations
EDUCATION							
Teacher Education	-	-	-	7	7	-	
General Operations	-	-	-	253	1	252	
Total Program Agreement & Obli's.	-	-	-	260	8	252	260
Trainees	-	-	-				11
Technicians							6
Total Obl. Inc. Tech. & Trainees	-	-	-				277
TRANSPORTATION & COMMUNICATIONS							
Trans. Trainees							23
Comm. Trainees							10
Total Obl. Inc. Tech. & Trainees	-	-	-	-	-	-	33
INDUSTRY & MINING							
Preliminary Surveys	-	-	-	38	38	-	
Hwy. Survey & Trans. Study	-	-	-	28	28	-	
Study Utilization Aswan Power	-	-	-	5	5	-	
Fertilizer Production	-	-	-	14	14	-	
Study Expansion Cotton Textile Ind.	-	-	-	16	16	-	
Study Expansion Industrial Bank	-	-	-	10	10	-	
Contract - A. D. Little	-	-	-	132	132	-	
Total Program Agrmt. Obligations	-	-	-	243	243	-	243
Technicians							2
Total Obl. Inc. Tech. & Trainees	-	-	-	-	-	-	245
PUBLIC ADMINISTRATION							
Trainees							2
Technicians							6
Total	-	-	-	-	-	-	8

APPROPRIATION FY 1955
COUNTRY EGYPT

	PROGRAM AGREEMENT OBLIGATIONS						TOTAL
	FY 1952 FUNDS			FY 1953 FUNDS			FY 1953
	Total	Reserved*	Unreserved	Total	Reserved*	Unreserved	Obligations
GENERAL & COMMUNITY DEVELOPMENT							
EARIS**	-	-	-	10,000	379	9621	
Total Program Agrmt. Obligations	-	-	-	10,000	379	9621	10,000
Technicians - EARIS							149
Technicians - Housing							67
Total Obl. Inc. Tech. & Trainees	-	-	-				10,216
COUNTRY TOTAL							
(Excluding Program Direction)	-	-	-	12,118	1339	10779	12,707

* Reserved connotes that portion of program agreement obligation which is sub-obligated by transactional document such as signed contract or purchase authority.

** Egyptian - American Rural Improvement Service

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APPROPRIATION FY 1955

TABLE VIII

COUNTRY EGYPT

ESTIMATED EXPENDITURES BY ACTIVITY

(Thousands of Dollars)

	TOTAL	Agri. 1	H & S 2	Edu. 3	Trans. 4	Ind. 5	P.A. 6	Gen. and Com. Dev. 7
Status as of 8-31-53								
FY 1952 Obligations	224	113	85	12	3	8	—	3
Exp. of '52 Obligations	168	93	58	9	—	6	—	2
Unliquidated '52 Obligations	56	20	27	3	3	2	—	1
FY 1953 Obligations	12707	1708	220	277	33	245	8	10216
Exp. of '53 Obligations	918	376	75	13	1	40	8	405
Unliquidated '53 Obligations	11789	1332	145	264	32	205	—	9811
Total Unliquidated Obligations	11845	1352	172	267	35	207	—	9812
FY 1954								
Unliquidated previous Obligations	11845	1352	172	267	35	207	—	9812
New FY 1954 Funds	3416	1016	948	915	17	300	50	170
Total Available	15261	2368	1120	1182	52	507	50	9982
Expenditures during FY 1954	7000	1010	400	400	20	150	20	5000
Total Unliquidated Obligations (6-30-54)	8261	1358	720	782	32	357	30	4982
FY 1955								
Unliquidated previous Obligations	8261	1358	720	782	32	357	30	4982
New FY 1955 Funds	3397	1493	539	902	—	273	—	190
Total Available	11658	2851	1259	1684	32	630	30	5172
Expenditures during FY 1955	5000	1100	400	500	32	200	30	2738
Total Unliquidated Obligations (6-30-55)	6658	1751	859	1184	—	430	—	2434

October 27, 1953

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Appropriation FY 1955
Country EGYPT

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TABLE VIIIA

ESTIMATED EXPENDITURES BY COST FACTORS

AGREEMENT FUNDS

SUPPLIES AND EQUIPMENT AND FIELD COSTS
(Thousands of dollars)

	Total	Funds	Technicians	Trainees
Status as of 8-31-53				
Unliquidated '52 Obligations	56			56 a/
FY 1953 Obligations	12707	12118	462	127
Expend. of '53 Obligations	918	438	450	30
Unliquidated '53 Obligations	11789	11680	12	97
Total Unliquidated Obligations	11845	11680	12	153
FY 1954				
Unliquidated Previous Obligations	11845	11680	12	153
New FY 1954 Funds	3416	2077	1004	335
Total Available	15261	13757	1016	488
Expend. during FY 1954	7000	5850	900	250
Total Unliquidated Obligations (6-30-54)	8261	7907	116	238
FY 1955				
Unliquidated Previous Obligations	8261	7907	116	238
New FY 1955 Funds	3397	2139	1118	140
Total Available	11658	10046	1234	378
Expend. during FY 1955	5000	3800	1000	200
Total Unliquidated Obligations (6-30-55)	6658	6246	234	178

a/ Later estimate - $37 thousands.

October 28, 1953

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[redacted]

Country: EGYPT

TABLE X

STATUS OF JOINT FUNDS
(thousand of U.S. Dollar Equivalents)

Fund Title EIRIS	1953	1954	1955
Contributions			
Unobligated Bal. Carried Forward	0	0	
U.S. Deposits	0	250	
Host Government and Other	0	432	
Total Available	0	682	
Obligations	0	0	
Unobligated Balance	0	682	
Expenditure	0		

Egyptian American Rural Improvement Service (EIRIS) is the only Egyptian-American joint fund. Details are not firm enough to program funds as yet. In fiscal year 1953, the United States Government obligated $10,000,000 for this purpose and the Egyptian Government 15,700,000.

10/24/53

[redacted]

COUNTRY EGYPT

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TABLE XII

U.S. AND EGYPTIAN RESOURCES DEVOTED TO AID PROGRAM
(Thousands of U.S. Dollar Equivalents)

ACTIVITY:		Total U.S. Obligations	Actual Counterpart Withdrawals	Direct Country Contributions			
				Joint Fund	Other Cash	In Kind	Totals
1. Agriculture & Natural Resources	1953	1708	-	-	-	224	224
	1954	1016	-	-	1906	1129	3035
	1955	1493	-	-	937	3428	4365
2. Health and Sanitation	1953	220	-	-	-	98	98
	1954	948	-	-	14	182	196
	1955	539	-	-	170	280	450
3. Education	1953	277	-	-	-	-	-
	1954	915	-	-	448	462	910
	1955	902	-	-	303	315	618
4. Transportation & Communications	1953	33	-	-	-	-	-
	1954	17	-	-	-	-	-
	1955	-	-	-	-	-	-
5. Industry and Mining	1953	245	-	-	-	-	-
	1954	300	-	-	-	-	-
	1955	273	-	-	100	158	258
6. Public Administration	1953	8	-	-	-	-	-
	1954	50	-	-	-	-	-
	1955	-	-	-	-	-	-
7. General & Community Development	1953	10,216	-	-	-	-	-
	1954	170	-	-	170	10	180
	1955	190	-	-	-	-	-
TOTAL	1953	12,707 a/	-	- a/	-	322	322
	1954	3,416	-	-	2538	1783	4321
	1955	3,397	-	-	1510	4181	5691

a/ Includes an obligation of $10,000,000 for U.S. contribution to joint fund for Egyptian American Rural Improvement Service. The money is presently deposited in the United States. The Egyptian Government has contributed $15,700,000 for this same purpose. The contributions have not been placed in the joint fund at this time.

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COUNTRY EGYPT

TABLE XIV

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BALANCE OF PAYMENTS
(Million of Dollar Equivalents) 1/

	1952 2/ Payments	Receipts
Current Account:		
Trade	592.70	419.33
Invisible	190.95	210.53
Subtotal, Current Account	783.65	629.86
Capital Account:		
Short term	5.47	2.02
Long term - Public	1.73	—
U.S.:		—
Loans		--
Grants		--
IBRD		--
Others		--
Long term - Private	7.78	2.02
U.S.		—
Other		--
Subtotal, Capital Account	14.98	4.04
Changes in Reserves	-166.46	
Errors and Omissions	1.73	
TOTAL BALANCE OF PAYMENTS	633.90	633.90

Memorandum on Reserves:
Status, end of period: 3/

Gold and dollars	234.43
Other key currencies 4/	518.40
Other	31.39

Source: National Bank of Egypt
10/23/53

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1/ Conversion at official exchange rate of L.E.1 = $2.88. Currency made available to Egyptains traveling abroad is subject to a 10% tax.

2/ Calendar year. First half 1953 not yet available. No reliable projections have been made.

3/ As of December 28, 1952. Spot foreign exchange holdings include balances in Sudan.

4/ Sterling.

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COUNTRY EGYPT

TABLE XV

GENERAL FEDERAL GOVERNMENT FINANCE
(In Millions of Dollar Equivalents) 1/

	Fiscal 1952-53 2/	(estimates) Fiscal 1953-54 2/
REVENUE		
Import and Export Taxes (including excises) 3/	273.17	255.31
Excess profits tax 4/	7.20	2.88
Income taxes 5/	66.82	55.44
Other taxes 6/ (primarily land and buildings)	80.18	88.88
Gross Profits on Government enterprises 7/	89.02	84.79
Special account (FOA counterpart)	-	-
Other foreign grants	-	-
Other revenues 8/	39.55	81.56
Total Revenue	555.94	568.86
EXPENDITURES 9/		
National defense	111.31	113.16
Other	553.97	455.70
Total Expenditures	665.28	568.86
Deficit	109.34	--
Supplementary Development Budget	--	102.24

1/ Conversion at official exchange rate of L.E. 1 = $2.88.
2/ Fiscal year from July 1 - June 30.
3/ Includes also excise taxes on liquor, matches, etc. lumped with customs receipts.
4/ Tax has been eliminated. Collections are against liabilities of former years.
5/ Includes both classified income taxes on business profits, dividends, wages, etc., and general income tax.
6/ Primarily property tax on building and land.
7/ Gross revenue from government enterprises — railroads, postal system, telecommunications, etc. Costs of these enterprises are included in expenditure figures.
8/ Primarily fees and government share in private enterprises.
9/ Excluding for fiscal 1953-54, capital outlays covered by supplementary development budget.

Source: GOE Official Budget (In Arabic)

10/28/53

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PROGRAM PERSONNEL

Table XVI

A. By Fiscal Years

Country Egypt

Type	Positions Authorizated			Man Years			Positions Filled (June 30)			Obligations Personal Services 1/			Obligations Total cost 2/		
	53	54	55	53	54	55	53	54	55	53	54	55	53	54	55
I. Field															
A. Permanent employees 3/															
U.S. employees															
F.O.A.	29	12	8	13	10	8	16	10	8	125	69	57	(185)	(75)	(65)
Other Agencies	43	90	97	16	70	95	22	90	97	137	602	958	157	974	1103
Locals (paid from $ funds)	42	100	27	42	70	27	42	70	27	36	116	43	(36)	(116)	(43)
B. Temporary and Part time US employees															
FOA															
Other Agencies	9	11	4	2	5	2	5	-	-	22	26		30	30	15
Locals (paid from $ funds)										275	-		275	-	-
C. Contract Employees															
US Citizens															
Other															
II. Washington															
A. Employees	x	x	x				x	x	x						
FOA	x	x	x				x	x	x						
Other Agencies	x	x	x				x	x	x						
B. Contracts	x	x	x				x	x	x				462	1004	1118
TOTAL															

E. By Quarters [4]

(positions filled, end of quarter)

Type	1st	2nd	3rd	4th	1st	2nd	3rd	4th
I. Field								
A. Permanent US Employees								
F.O.A.	10	12	12	12	8	8	8	8
Other Agencies	53	75	85	90	92	94	96	97

1/ Salary and allowances only.
2/ Should agree with total obligations shown under "program personnel" in Table VII. Exceeds "Personal Services" by including costs of international travel, transportation of effects and related costs.
3/ Persons hired for terms of one year or over.
4/ Positions referred to are same as in I-A.

10/28/53

COUNTRY EGYPT

TABLE XVII

A - FUNDS FOR TRAINING AWARDS

(Thousands of Dollars)

	FY 1952	FY 1953	FY 1954	FY 1955
Obligations (net)	*	127	335	140
Expenditures	*	24		
Unliquidated Obligations	*	103		

B - NUMBER OF GRANTEES AS OF JUNE 30

	1952	1953	1954	1955
1952 Program				
authorized	46			
in training	4	17	0	*
training completed	1	19	20	*
*not yet arrived	41	10	0	*
cancelled	0	0	7	*
1953 Program				
authorized		55		
in training		11	12	0
training completed		4	39	12
*not yet arrived		40	0	0
cancelled		0	0	0
1954 Program				
authorized			131	
in training			50	26
training completed			20	100
*not yet arrived			61	5
cancelled			0	0
1955 Program				
authorized				60
in training				35
training completed				20
not yet arrived				5
cancelled				0

*Ministry of Social Affairs is refusing to pay transportation. Therefore its grantees are especially delayed and may be cancelled. General problem is under discussion.

[redacted]

APPROPRIATION FY 1955
COUNTRY IRAN

OBLIGATIONS BY ACTIVITY AND SUB-ACTIVITY
(Thousands of Dollars)

TABLE VI

	PROGRAM AGREEMENT OBLIGATIONS						TOTAL
	FY 1952 FUNDS			FY 1953 FUNDS			FY 1953
	Total	Reserved	Unreserved	Total	Reserved	Unreserved	Obligations
AGRICULTURE & NATURAL RESOURCES							
Master Account	-	-	-	10	-	10	
Locust Control	18	-	18	116	102	14	
Livestock Improvement	-	-	-	125	125	-	
Cotton Improvement	-	-	-	33	33	-	
Extension Service	-	-	-	196	133	63	
Plant Science	-	-	-	282	275	7	
Forestry	-	-	-	107	84	23	
Gulf Fisheries	-	-	-	147	95	52	
Farm Machinery	-	-	-	110	2	108	
Irrigation Improvement	-	-	-	60	56	4	
Razi Veterinary Institute	-	-	-	100	36	64	
Farm Machinery Coop.	-	-	-	147	147	-	
Contribution to Agric.Joint Fund	-	-	-	961	961	-	
Karas Agric. College	255	237	18	-	-	-	
Rural Improvement	2038	2038	-	-	-	-	
Golpayegan Dam	92	92	-	45	5	40	
Sheikh-Ali Khan Dam & Kuhrang Irrigation Tunnel	50	50	-	52	16	36	
Land Use Surveys	80	62	18	-	-	-	
Karkheh Dam	108	108	-	50	-	50	
Ghanat Construction	30	30	-	-	-	-	
River Basin Surveys	-	-	-	94	-	94	
Soils Laboratory-Tehran Univ.	-	-	-	50	-	50	
Total Program Agreement Obl.	2671	2617	54	2685	2070	615	2685
Technicians - Agric.							565
University Contract - Ag.							295
Technicians - Nat. Resources							139
Total							3684

[redacted]

	PROGRAM AGREEMENT OBLIGATIONS						TOTAL
	FY 1952 FUNDS			FY 1953 FUNDS			FY 1953
	Total	Reserved	Unreserved	Total	Reserved	Unreserved	Obligations
HEALTH & SANITATION							
Tehran Water Treatment	1700	1542	158	-	-	-	
Rural Improvement	372	372	-	-	-	-	
Bandar-Abbas Water System	50	50	-	-	-	-	
National Malaria Control	248	248	-	979	765	214	
Dizful Sanitation Project	53	53	-	-	-	-	
Deep Water Wells	196	196	-	-	-	-	
" " " -Agric.	15	7	8	-	-	-	
Contribution to Joint Funds	-	-	-	1656	1642	14	
Rural Public Health Demons.	-	-	-	748	734	14	
Devel.Deep Wells & Distribution	-	-	-	517	20	497	
Lab. Technique Tr.-Pasteur Inst.	-	-	-	125	-	125	
Diagnosis Procedures & Vaccine Prod.	-	-	-	15	-	15	
Total Program Agmt. Obl.	2634	2468	166	4040	3161	879	4040
Technicians							328
University Contract							321
Total							4689
EDUCATION							
Rural Improvement Program	46	33	13	-	-	-	
Bldgs. & Facilities	-	-	-	189	32	157	
Est.Admr. & Supervisory Program	-	-	-	100	100	-	
Education Supplies	-	-	-	12	5	7	
Contribution to Joint Funds	-	-	-	1115	1115	-	
Total Prog. Agmt. Obl.	46	33	13	1416	1252	164	1416
Technicians							310
University Contract							147
Total							1873

APPROPRIATION FY 1955
COUNTRY IRAN

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	PROGRAM AGREEMENT OBLIGATIONS						TOTAL
		FY 1952 FUNDS			FY 1953 FUNDS		FY 1953
	Total	Reserved	Unreserved	Total	Reserved	Unreserved	Obligations
TRANSPORTATION & COMMUNICATIONS							
Air Navigation & Meteorological Equip.	160	113	47	39	9	30	
Improvement Post & Tel.Com.Services	150	150	-	75	-	75	
National Iranian Railroad	-	-	-	250	50	200	
Demons. Highway Maintenance Equip.	-	-	-	291	284	7	
Total Prog. Agmt. Obl.	310	263	47	655	343	312	655
Technicians							11
Total							666
INDUSTRY & MINING							
Completion Fars Cement Plant	1100	932	168	-	-	-	
Construction Fassa Sugar Refinery	635	618	17	-	-	-	
Improvement Shiraz Municipal Power	200	141	59	-	-	-	
Expanding Tchitsazi Cotton Mill	1330	683	647	-	-	-	
" Rey Cement Plant	600	-	600	-	-	-	
Completion Tehran Slaughterhouse	15	11	4	-	-	-	
Mineral Resources	190	5	185	-	-	-	
Hormoz Salt Mine Improvement	250	-	250	-	-	-	
Processing Dried Fruits & Nuts	-	-	-	130	-	130	
Est.Wool Sorting & Scouring Plants	-	-	-	130	120	10	
Est. Bureau of Standards	-	-	-	100	20	80	
Demons. Modern Equip.-Tchitsazi Mill	-	-	-	491	491	-	
Improv. Handloom Industry	-	-	-	99	83	16	
Const. Two Sugar Refineries	-	-	-	931	-	931	
Demons.Community Canning Plant	-	-	-	10	7	3	
Demons.Date Curing & Packing Units	-	-	-	196	-	196	
Contribution to Joint Fund	-	-	-	41	41	-	
Total Prog. Agmt. Obl.	4320	2390	1930	2128	762	1366	2128
Technicians							67
Total							2195

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APPROPRIATION FY 1955
COUNTRY IRAN

	PROGRAM AGREEMENT OBLIGATIONS						TOTAL FY 1953 Obligations
	FY 1952 FUNDS			FY 1953 FUNDS			
	Total	Reserved	Unreserved	Total	Reserved	Unreserved	
PUBLIC ADMINISTRATION							
Improvement Law Enforcement Ser.	-	-	-	70	70	-	
Labor Training & Relations	-	-	-	250	138	112	
Public Statistics	-	-	-	157	111	46	
Construction Community Centers	-	-	-	76	48	28	
Contribution to Joint Fund	-	-	-	24	-	24	
Total Prog. Agmt. Obl.	-	-	-	577	367	210	577
Technicians							48
Total							625
GENERAL & COMMUNITY DEV.							
Agrarian Development	-	-	-	3000	2168	832	
Urban & Rural Low-Cost Housing	-	-	-	400	280	120	
Total Prog. Agmt. Obl.	-	-	-	3400	2448	952	3400
GRAND TOTAL PROGRAM AGMT OBLIGATION	9981	7771	2210	14901	10403	4498	
Training Grants-Beirut	-	-	-	50	50	-	50
Training Grants-U.S.A.	-	-	-	511	511	-	511
Engineering Technicians	-	-	-	-	-	-	33
Rials $	-	-	-	-	-	-	1529
CCC Purchases of Sugar-Rial Generating	-	-	-	-	-	-	1290
Student Assistance-Rial Generating	-	-	-	-	-	-	1500
COUNTRY TOTAL (Excluding Program Direction)	9981	7771	2210	15462	10964	4498	22045

APPROPRIATION FY 1955

COUNTRY IRAN

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TABLE VIII

ESTIMATED EXPENDITURES BY ACTIVITY
(Thousands of Dollars)

	Total	Agri. 1	H&S 2	Edu. 3	Trans. 4	Ind. 5	P.A. 6	Gen. and Com. Dev. 7
Status as of 8/31/53								
Unliquidated '52 Obligations	$273	1722	2056	189	69	4237	---	---
FY 1953 Obligations	22045	3684	4689	1873	666	2195	625	$313/a
Exp. of '53 Obligations	10791	1412	3337	1407	14	80	176	4365/b
Unliquidated '53 Obligations	11254	2272	1352	466	652	2115	449	3948
Total Unliquidated Obligations	19527	3994	3408	655	721	6352	449	3948
FY 1954								
Unliquidated Previous obligations	19527	3994	3408	655	721	6352	449	3948
New FY 1954 Funds	12057	4400	2204	2576	201	360	716	1100
Total Available	31584	8394	5612	3231	922	7212	1165	5048
Expenditures During FY 1954	16800	4000	3000	2000	500	4500	300	2500
Total Unliquidated Obligation (6/30/54)	14784	4394	2612	1231	422	2712	865	2548
FY 1955								
Unliquidated Previous Obligations	14784	4394	2612	1231	422	2712	865	2548
New FY 1955 Funds	10074	3563	1891	1759	145	920	760	1036
Total Available	24858	7957	4503	2990	567	3632	1625	3584
Expenditures During FY 1955	16000	5000	3000	2000	400	2500	800	2300
Total Unliquidated Obligation (6/30/55)	8858	2957	1503	990	167	1132	825	1284

a/ Includes $3,000 thousand for agrarian development, $400 thousand for housing, $511 thousand for training grants USA, $50 thousand training grants at Beirut, $33 thousand engineering technicians, $1529 rial $ Fund, $1290 thousand CCC sugar purchases for rial generation, and $1500 Student assistance for rial generation. $4913 thousand of the total amount of $8313 thousand is, therefore, undistributed by field of activity.

b/ Includes $1397 thousand for agrarian development, $280 thousand for housing, $32 thousand for training grants (31 for Beirut), $14 thousand for engineering technicians, $261 thousand for rial $ fund, and $2190 thousand for CCC sugar purchase and student assistance rial generating funds.

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Appropriation FY 1955

Country: IRAN

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TABLE VIII-A

ESTIMATED EXPENDITURES BY COST FACTORS

(Thousands of dollars)

	TOTAL	Agreement Funds for Supplies and Equipment and Field Costs	(Amount) Technicians	(Amount) Trainees
Status as of August 31, 1953				
Unliquidated FY 1952 Obligations	8273	8099	12	162
FY '53 Obligations	22045	19220	2264	561
Expend. of 53 Obligations	10791	9259	1500 a/	32
Unliquidated '53 obligation	11254	9961	764	529
Total unliquidated obligation	19527	18060	776	691
FY 1954				
Unliquidated previous obligation	19527	18060	776	691
New FY 1954 funds	12057	8158	3449	450
Total available	31584	26218	4225	1141
Expenditures during FY 1954	16800	13775	2725	300
Total unliquidated obligation (6/30/54)	14784	12443	1500	841
FY 1955				
Unliquidated previous obligation	14784	12443	1500	841
New FY 1955 funds	10074	5584	4040	450
Total available	24858	18027	5540	1291
Expenditures during FY 1955	16000	11300	4000	700
Total unliquidated obligation (6/30/55)	8858	6727	1540	591

a/ Estimated.

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Country: IRAN

TABLE X

STATUS OF JOINT FUNDS, as of June 30, 1953*
(Thousands of U.S. Dollar Equivalents)

Fund Title: AGRICULTURE	1953	1954	1955
Contributions			
Unobligated Bal. Carried Forward	787	2,133	
U.S. Deposits	2,362		
Host Government and Other	13		
Total Available	3,162		
Obligations	1,029		
Unobligated Balance	2,133		
Expenditures	432		

Fund Title: PUBLIC HEALTH			
Contributions			
Unobligated Balance	655	1,713	
U.S. Deposits	3,411		
Host Government and Other	26		
Total Available	4,092		
Obligations	2,379		
Unobligated Balance	1,713		
Expenditures	856		

Fund Title: EDUCATION			
Contributions			
Unobligated Balance	118		
U.S. Deposits	1,544		
Host Government and Other	-		
Total Available	1,662		
Obligations	69		
Unobligated Balance	1,593		
Expenditures	60		

Fund Title: Public Statistics	1953	1954	1955
Contributions			
Unobligated Balance	41	189	
U.S. Deposits	155		
Host Government and Other	36		
Total Available	232		
Obligations	43		
Unobligated Balance	189		
Expenditures	15		

Fund Title: AGRARIAN DEVELOPMENT			
Contributions			
Unobligated Balance	-	1,885	
U.S. Deposits	3,000		
Host Government and Other	440		
Total Available	3,440		
Obligations	1,555		
Unobligated Balance	1,885		
Expenditures	1,365		

Fund Title: ECONOMIC DEVELOPMENT			
Contributions			
Unobligated Balance	4,114	5,630	
U.S. Deposits	2,133		
Host Government and Other	-		
Total Available	6,247		
Obligations	617		
Unobligated Balance	5,630		
Expenditures	40		

*Rial contributions converted to dollar equivalent @ 75

TABLE X (Continued)

Country: IRAN

STATUS OF JOINT FUNDS, as of June 30, 1953
(Thousands of U.S. Dollar Equivalents)

Fund Title: COMMUNITY HOUSING	1953	1954	1955
Contributions			
Unobligated Balance	-	121	
U.S. Deposits	400		
Host Government and Other	-		
Total Available	400		
Obligations	279		
Unobligated Balance	121		
Expenditures	279		

Fund Title: SUMMARY			
Contributions			
Unobligated Balance	5,715	13,264	
U.S. Deposits	13,005		
Host Government and Other	515		
Total Available	19,235		
Obligations	5,971		
Unobligated Balance	13,264		
Expenditures	3,047		

[redacted]

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COUNTRY IRAN

U.S. AND IRANIAN COUNTRY RESOURCES DEVOTED TO AID PROGRAM
(Thousands of U.S. Dollar Equivalents)

TABLE XII

ACTIVITY	Total U.S. Obligations	Actual Counterpart Withdrawals	Direct Country Contributions: Joint Fund	Other Cash	In Kind	Totals
1. Agriculture & Natural Resources						
1953	3,684		13			13
1954	4,400					
1955	3,563					
2. Health and Sanitation						
1953	4,689		26			26
1954	2,204					
1955	1,891					
3. Education						
1953	1,416					
1954						
1955						
4. Transportation & Communications						
1953	580					
1954						
1955						
5. Industry and Mining						
1953	2,128					
1954						
1955						
6. Public Administration						
1953	576		36			36
1954						
1955						
7. General & Community Development						
1953	8,313		440			440
1954	1,100					
1955	1,036					

COUNTRY IRAN

TABLE XII Cont'd.

ACTIVITY	Total U.S. Obligations	Actual Counterpart Withdrawals	Direct Country Contributions Joint Fund	Other Cash	In Kind	Totals
TOTAL						
1953	22,045		515			515
1954	12,057					
1955	10,074					

COUNTRY IRAN

TABLE XV

GENERAL FEDERAL GOVERNMENT FINANCE
(Millions of Dollar Equivalents) 1/

	(1330) 1951-1952 2/	(1331) 1952-1953 2/	(1332) 1953-1954 2/
Revenues: 3/		(No budget project was approved for this year. It is understood that the budget plan for 1330 was used as a guide to authorized expenditures.)	
Import and export taxes	26		31
Excise taxes and monopoly profits 4/	26		27
Income taxes	7		10
Profits on Government enterprises	(Large net loss)		(Large net loss)
Special account (FOA counterpart)	0		0
Other foreign grants	0		0
Other revenues	37		37
Total Revenue	96 (70) 5/		105 (5 mos 32) 5/
Expenditures:			
National defense	27		24
Other 6/	75		81
Total Expenditures	102 (99) 5/		105 (5 mos 44) 5/
Deficit:	6 (29) 5/		0 (5 mos 12) 5/

1/ Exchange rate calculated at 96 rials to $1.00 (the present commercial rate).
2/ Iranian year runs from March 21 through March 20.
3/ Excludes receipts from borrowings and payment for debt redemption.
4/ Excludes profits on exchange transactions.
5/ See NOTE (a). Figures in parentheses obtained on a Confidential basis and are not for publication.
6/ Distribution corresponds, to the extent feasible, to standard categories used in the Far East Data Book of FOA.

NOTE: (a) Figures above are taken from the budget project, or plan, with actual cash totals reported in parentheses. No breakdown of cash revenues and expenditures is now available.
(b) The considerable spread between planned and actual revenues and expenditures is represented by unpaid bills and unfulfilled expenditure authorizations.
(c) The above figures represent ordinary budget revenues and expenditures. Losses of Government agencies are not shown. They have, however, been very substantial.

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PROGRAM PERSONNEL

Country: Iran

A. By Fiscal Years

TABLE XVI

Type	Positions Authorized			Man Years			Positions Filled (June 30)			Obligations: Personal Services 1/			Obligations: Total Cost 2/		
	53	54	55	53	54	55	53	54	55	53	54	55	53	54	55
I. Field															
A. Permanent employees															
5/ US employees															
FOA	70#	70#	70#	na	60	70	49	70	70	1604	1890	1779	1614	2689	3002
Other agencies	165	170	195	na	124	180	82	170	195						
Locals (paid from $ funds)	1539	1918	1270	1539	1918	1270	na	na	na	1110	1004	1095	1110	1004	1095
B. Temporary and part time US employees															
FOA															
Other agencies															
Locals (paid from $ funds)															
C. Contract employees															
US citizens	25	49	49	25	40	49	25*	49	49	1288	760**	1038	650	760	1038
Other 3/															
II. Washington															
A. Employees															
FOA															
Other agencies															
B. Contracts															
Total	260	289	314	na	224	299	156	289	314	2892	2650	2817	2264	3449	4040

\# 95 FOA positions authorized; presumably included 25 Title I.
* Utah contract only, exclusive of Syracuse and Whiting contracts.
** Does not include Near East Foundation and Syracuse University contracts.

TABLE XVI cont'd

B. By Quarters [4]

(positions filled, end of quarter)

Type	1954 1st	1954 2nd	1954 3rd	1954 4th	1955 1st	1955 2nd	1955 3rd	1955 4th
I. Field								
A. Permanent US employees								
FOA	49	60	65	70	70	70	70	70
Other agencies	82	100	130	170	170	180	190	195

1/ Salary and allowances only.
2/ Should agree with total obligations shown under "Program Personnel" in Table VII. Exceeds "Personal Services" by including costs of International travel, transportation of effects and related costs.
3/ Technicians other than US citizens, may be shown by footnote. (applies primarily to TCA).
4/ Positions referred to are same as in I - A.
5/ Persons hired for terms of one year or over.

COUNTRY: IRAN

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TABLE XVII

A- FUNDS FOR TRAINING AWARDS
(Thousands of Dollars)

	FY 1952	FY 1953	FY 1954	FY 1955
New Obligations (net)	--	561	450	450
Expenditures	--	--	--	--
Unliquidated Obligations	--	--	450	450

B- NUMBER OF GRANTEES
As of June 30

	IN UNITED STATES				IN THIRD COUNTRIES		
	1952	1953	1954	1955	1953	1954	1955
1952 Program (total)							
authorized	57						
in training		33					
training completed	5	12	39				
not yet arrived		6					
cancelled		1					
1953 Program (total)							
authorized		102			41		
in training			88		36 (AUB)		
training completed		3	11	88			
not yet arrived							
cancelled							
1954 Program (total)							
authorized			80			55 (AUB)	
in training			10	64			
training completed			6	10			
not yet arrived							
cancelled							
1955 Program (total)							
authorized				78			45 (AUB)
in training				15			
training completed				10			
not yet arrived							
cancelled							

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Appropriation FY 1955

Country IRAQ

Table VI

OBLIGATIONS BY ACTIVITY AND SUB-ACTIVITY
(Thousands of Dollars)

Activity	Program Agreement Funds FY 1952	Program Agreement Funds FY 1953	Total FY 1953 Obligations
Agriculture and Natural Resources	-	-	487
Health and Sanitation	-	-	236
Education	-	-	353
Transportation and Communications	-	-	256
Industry and Mining	-	-	15
Public Administration	-	-	13
General and Community Development	-	-	381
Total Program Costs	-	-	1741

Note: No FY 1952 or FY 1953 funds obligated by Program Agreements. Funds all obligated by means of transactional document such as purchase order or contract.

Date: October 24, 1953

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TABLE VIII

APPROPRIATION FY 1955

COUNTRY IRAQ

ESTIMATED EXPENDITURES BY ACTIVITY
(Thousands of Dollars)

	TOTAL	Agri. 1	H & S 2	Edu. 3	Trans. 4	Ind. 5	P. A. 6	Gen.and Com.Dev. 7
Status as of 6-30-53								
FY 1952 Obligations	350	204	63	45	2	8	28	—
Exp. of '52 Obligations	300	170	60	40	2	8	20	—
Unliquidated '52 Obligations	50	34	3	5	—	—	8	—
FY 1953 Obligations	1741	487	236	353	256	15	13	381
Exp. of '53 Obligations	179	65	24	18	22	15	—	35
Unliquidated '53 Obligations	1562	422	212	335	234	—	13	346
Total Unliquidated Obligations	1612	456	215	340	234	—	21	346
FY 1954								
Unliquidated previous Oblig.	1612	456	215	340	234	—	21	346
New FY 1954 Funds	2194	832	366	359	186	24	33	394
Total Available	3806	1288	581	699	420	24	54	740
Expenditures during FY 1954	2500	900	400	400	250	20	30	500
Total Unliquidated Obligations (6-30-54)	1306	388	181	299	170	4	24	240
FY 1955								
Unliquidated previous Oblig.	1306	388	181	299	170	4	24	240
New FY 1955 Funds	2342	872	373	435	180	25	60	397
Total Available	3648	1260	554	734	350	29	84	637
Expenditures during FY 1955	3000	1036	454	584	300	29	60	537
Total Unliquidated Obligations (6-30-55)	648	224	100	150	50	—	24	100

October 27, 1953

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Appropriation FY 1955

Country: IRAQ

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TABLE VIII-A

ESTIMATED EXPENDITURES BY COST FACTORS

(Thousands of dollars)

	TOTAL		Agreement Funds for Supplies and Equipment and Field Costs	(Amount) Technicians	(Amount) Trainees
Status as of June 30, 1953					
Unliquidated '52 Obligations	50		40	---	10
FY '53 Obligations	1741		338	1276	127
Expend. of '53 Obligations	179	a/	10	164	5
Unliquidated '53 Obligations	1562		328	1112	122
Total Unliquidated Obligations	1612		368	1112	132
FY 1954					
Unliquidated Previous Obligations	1612		368	1112	132
New FY 1954 Funds	2194		589	1471	134
Total Available	3806		957	2583	266
Expenditures During FY 1954	2500		200	2200	100
Total Unliquidated Oblig.(6-30-54)	1306		757	383	166
FY 1955					
Unliquidated Previous Obligations	1306		757	383	166
New FY 1955 Funds	2342		295	1922	125
Total Available	3648		1052	2305	291
Expenditures during FY 1955	3000		750	2100	150
Total unliquidated Oblig.(6-30-55)	648		302	205	141

a/ Fiscal Reports total expenditure of $416 thousand as of 6-30-53, including Program Direction. Above expenditure figure excludes Program Direction but is believed to be far too small due to lag in reporting salary expenditures to field.

October 29, 1953.

COUNTRY IRAQ

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TABLE XII

U.S. AID IRAQ RESOURCES DEVOTED TO AID PROGRAM
(Thousands of U.S. Dollar Equivalents)

ACTIVITY		Total U.S. Obligations	Actual Counterpart Withdrawals	Direct Country Contributions			
				Joint Fund	Other Cash	Kind	Totals
1. Agriculture & Natural Resources	1953	487	-	-	-	-	-
	1954	832	-	-	25	3914	3939
	1955	872	-	-	778	1051	1829
2. Health and Sanitation	1953	236	-	-	-	-	-
	1954	366	-	-	103	-	103
	1955	373	-	-	-	240	240
3. Education	1953	353	-	-	-	-	-
	1954	359	-	-	450	375	825
	1955	435	-	-	450	150	600
4. Transportation & Communications	1953	256	-	-	-	-	-
	1954	186	-	-	-	-	-
	1955	180	-	-	1000	-	1000
5. Industry and Mining	1953	15	-	-	-	-	-
	1954	24	-	-	-	-	-
	1955	25	-	-	-	-	-
6. Public Administration	1953	13	-	-	-	-	-
	1954	33	-	-	-	-	-
	1955	60	-	-	-	-	-
7. General & Community Development	1953	381	-	-	-	-	-
	1954	394	-	-	231	129	360
	1955	397	-	-	131	140	271
TOTAL	1953	1,741	-	-	-	-	-
	1954	2,194	-	-	809	4,418	5,227
	1955	2,342	-	-	2,359	1,581	3,940

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October 24, 1953.

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TABLE XVI

COUNTRY IRAQ

APPROPRIATION FY 1955

PROGRAM PERSONNEL
A. By Fiscal Years

Type	Positions Authorized 53	54	55	Man Years 53	54	55	Positions Filled (June 30) 53	54	55	Costs Personal Services 53	54 (est)	55 (est)	Total Cost 53	54 (est)	55 (est)
I. Field															
A. Permanent employees															
US Employees															
FOA	6	6	8	6	6	8	6	6	8	35	40	56	40	50	78
Other agencies	91	78	80	38	71	80	43	78	80	1090	1250	1608	1235	1385	1812
Locals (paid from $ funds)	0	23	46	0	23	46	0	23	46	-	30	30	-	35	32
B. Temporary and Part time															
US Employees															
FOA	2	1	0	1	1	0	1	0	0	1	-	-	1	-	-
Other agencies	1	0	0	1	0	0	0	0	0						
Locals (paid from $ funds)															
C. Contract Employees															
US Citizens	9	22	16	6	22	16	8	22	16		Contract employees included in A above				
Other	0	3	0	0	1	0	0	1	0	-	-	-	-	1	-
II. Washington															
A. Employees	x	x	x				x	x	x						
FOA	x	x	x				x	x	x						
Other agencies	x	x	x				x	x	x						
B. Contracts	x	x	x				x	x	x						
TOTAL	109	133	150	52	124	150	58	130	150	1126	1320	1694	1276	1471	1922

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TABLE XVI cont'd.

B. By Quarters

(positions filled, end of quarter)

Type	1954 1st	1954 2nd	1954 3rd	1954 4th	1955 1st	1955 2nd	1955 3rd	1955 4th
I. Field								
A. permanent US employees								
FOA	6	6	6	6	8	8	8	8
Other Agencies	67	71	78	78	80	80	80	80

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COUNTRY IRAQ

TABLE XVII

A - FUNDS FOR TRAINING AWARDS
(Thousands of Dollars,

	FY 1952	FY 1953	FY 1954	FY 1955
Obligations (net)	150	127	134	125
Expenditures	4	24	-	-
Unliquidated obligations	0	103	-	-

B - NUMBER OF GRANTEES
AS OF JUNE 30

	1952	1953	1954	1955
1952 Program (total)	40	38	38	-
enroute or in training	38	18	-	-
training completed	-	20	38	-
cancelled	2	-	-	-
1953 Program (total)	x	31	31	31
enroute or in training	x	-	25	-
training completed	x	-	5	31
cancelled	x	-	1	-
1954 Program (total)	x	x	34	34
enroute or in training	x	x	34	-
training completed	x	x	-	34
cancelled	x	x	-	-
1955 Program (total)	x	x	x	31
enroute or in training	x	x	x	-
training completed	x	x	x	-
cancelled	x	x	x	-

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APPROPRIATION FY 1955
COUNTRY ISRAEL

OBLIGATIONS BY ACTIVITY AND SUB-ACTIVITY
(Thousands of Dollars)

TABLE VI

	PROGRAM AGREEMENT OBLIGATIONS						TOTAL FY 1953 Obligations
	Total	FY 1952 FUNDS Reserved	Unreserved	Total	FY 1953 FUNDS Reserved	Unreserved	
AGRICULTURE & NATURAL RESOURCES							
Irrigation	25	25	-				
Poultry Improvement				3	-	3	
Agric. Research				5	-	5	
Agric. Master Account				467	-	467	
Water Storage				37	8	29	
Irrigation Planning				30	-	30	
Water Resources Master Acct.				29	-	29	
Agric. Training Grants -Prog. Agmt.				25	24	1	
Water Resources Training Grants-Prog.Agmt.				12	-	12	
Total Program Agreement Obl.	25	25	-	608	32	576	608
Agric. Technicians							53
Water Resources Technicians							23
Total Obligations Includi g Tech.							684
HEALTH & SANITATION							
Public Health Expert	7	-	7				
Mental Hygiene				18	3	15	
Sewerage Disposal & Treatment				81	31	50	
Sanitation Training				20	20	-	
Sanitation Demonstration				60	13	47	
Local Health Unit				60	13	47	
Endemic Disease Control				25	5	20	
Health & Sanitation Master Acct.				4	-	4	
H & S Training Grants-Prog.Agmt.				18	15	3	
Total Program Agreement Obl.	7	-	7	286	100	186	286
H & S Technicians							19
Total Obligations Including Tech.							305

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APPROPRIATION FY 1955
COUNTRY ISRAEL

	PROGRAM AGREEMENT OBLIGATIONS						TOTAL FY 1953 Obligations
	Total	FY 1952 FUNDS Reserved	FY 1952 FUNDS Unreserved	Total	FY 1953 FUNDS Reserved	FY 1953 FUNDS Unreserved	
EDUCATION							
Vocational Training - Adults	400	45	355				
" " - Youths	100	68	32				
Technical Books	40	-	40				
Productivity Institute				45	-	45	
Vocational Training Master Acct.				68	-	68	
" " Grants-Prog.Agmt.				15	10	5	
Education Master Account				109	-	109	
Total Program Agreement Obl.	540	113	427	237	10	227	237
Education Technicians							27
Total Obligations Including Tech.							264
TRANSPORTATION AND COMMUNICATIONS							
Transport Planning	9	-	9				
Road Construction	21	6	15				
Port Transient Sheds				24	4	20	
Public Utilities Controlling Auth.				18	3	15	
R.R. Maintenance Facilities				15	-	15	
Master Account				9	-	9	
Training Grants - Prog. Agmt.				25	16	9	
Total Prog. Agmt. Obl.	30	6	24	91	23	68	91
Technicians							53
Total Obl. Including Tech.							144
INDUSTRY AND MINING							
Mineral Development	50	16	34				
Dead Sea Potash	16	-	16				
Chemical Industry	15	-	15	13	7	6	
Petro-Chemistry	33	26	7	40	-	40	
Ceramics Industry	16	-	16	16	5	11	
Productivity Aids	15	-	15				
Operations Research	10	-	10				
Mineral Resources Master Acct.				4	-	4	
Mineral Explorations Appraisal				95	61	34	
" Resources Trng. Grants-Prog.Agmt.				5	-	5	
General Industrial Devel.				20	5	15	
Textile Industry				14	8	6	

[redacted]

APPROPRIATION FY 1955
COUNTRY ISRAEL

	Total	PROGRAM AGREEMENT OBLIGATIONS FY 1952 FUNDS Reserved	Unreserved	Total	FY 1953 FUNDS Reserved	Unreserved	TOTAL FY 1953 Obligations
INDUSTRY AND MINING (Cont'd)							
Food Processing				37	22	15	
Pack., Mktg., & Distribution				20	5	15	
Metals Industry				59	29	30	
Electrical Appliance Ind.				15	7	8	
Small Business & Handicrafts				6	-	6	
Glass Products				5	-	5	
Regenerated Rubber				19	11	8	
Chemical Industry				27	10	17	
Industry & Trade Master Acct.				2	-	2	
" " " Trng.Grants-Prog.Agmt.				20	13	7	
TOTAL Program Agmt. Obl.	155	42	113	417	183	234	417
Mineral Resources Tech.							31
Industry & Trade Tech.							13
Total Obl. Including Tech.							461
PUBLIC ADMINISTRATION							
Public Admn. Project	-	-	-	20	-	20	
" " Master Account	-	-	-	189	-	189	
" " Trng. Grants-Prog.Agmt.	-	-	-	24	18	6	
Total Prog. Agmt. Obl.	-	-	-	233	18	215	233
Public Admn. Technicians							40
Total Obl. Including Tech.							273
COUNTRY TOTAL (Excluding Program Direction)	757	186*	571	1872	366	1506	2131

*An additional $227,000 of purchase requests (chiefly vocational education equipment) have been received from the field but are not reflected in total reservations figure because they have not yet been processed into purchase authorizations. The unreserved figure, therefore, would be correspondingly reduced to $344,000. Most of this unreserved balance will be reserved in the next two months as additional purchase requests for educational equipment are received from the field.

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[redacted]

APPROPRIATION FY 1955

TABLE VIII

COUNTRY ISRAEL

ESTIMATED EXPENDITURES BY ACTIVITY
(Thousands of Dollars)

	TOTAL	Agri. 1	H & S 2	Edu. 3	Trans. 4	Ind. 5	P.A. 6	Gen. and Com. Dev. 7
Status as of 8-31-53								
FY 1952 Obligations	807	33	18	540	38	178	—	—
Exp. of '52 Obligations	47	16	9	1	2	20	—	—
Unliquidated '52 Obligations	760	17	10	539	36	158	—	—
FY 1953 Obligations	2131	684	305	264	144	461	273	—
Exp. of '53 Obligations	110	25	16	9	20	34	6	—
Unliquidated '53 Obligations	2021	659	289	255	124	427	267	—
Total Unliquidated Obligations	2781	676	299	794	160	585	267	—
FY 1954								
Unliquidated previous Oblig	2781	676	299	794	160	585	267	—
New FY 1954 Funds	1487	787	152	146	118	169	73	42
Total Available	4268	1463	451	940	278	754	340	42
Expenditures during FY 1954	1500	400	100	400	80	300	200	20
Total Unliquidated Obligations (6-30-54)	2768	1063	351	540	198	454	140	22
FY 1955								
Unliquidated previous Oblig.	2768	1063	351	540	198	454	140	22
New FY 1955 Funds	1610	809	137	192	163	185	90	34
Total Available	4378	1872	488	732	361	639	230	56
Expenditures during FY 1955	2500	1200	244	400	150	350	100	56
Total Unliquidated Obligations (6-30-55)	1878	672	244	332	211	289	130	—

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Appropriation FY 1955
Country ISRAEL

ESTIMATED EXPENDITURES BY COST FACTORS (Thousands of Dollars)

TABLE VIII A

Status as of August 31, 1953	TOTAL	Agreement funds for Supplies and Equipment and Field Costs	Technicians	Trainees
Fy 1952 Obligations	807	757	50	-
Expend of '52 Oblig.	47	-	47	-
Unliquidated '52 Oblig.	760	757	3	-
FY 1953 Obligations	2131	1872	259	a/
Expend. of '53 Oblig.	110	3	107	-
Unliquidated '53 Oblig.	2021	1869	152	-
Total Unliquidated Oblig.	2781	2626	155	-
FY 1954				
Unliquidated Previous Oblig.	2781	2626	155	-
New FY 1954 Funds	1487	272	1024	191
Total Available	4268	2898	1179	191
Expend.During FY 1954	1500	480	970	50
Total Unliquidated Oblig. (6-30-54)	2768	2418	209	141
FY 1955				
Unilquidated Previous Oblig.	2768	2418	209	141
New FY 1955 Funds	1610	434	1026	150
Total Available	4378	2852	1235	291
Expend. during FY 1955	2500	1420	1000	80
Total Unliquidated Oblig. (6-30-55)	1878	1432	235	211

a/ Included in Program agreement Funds; 200 thousand programmed for Training.

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TABLE XI

COUNTRY ISRAEL

[redacted]

STATUS OF COUNTERPART FUNDS
(Thousand U.S. Dollar Equivalents)

Designation of Fund 1/ Special Accounts A and B (Bank Leumi)	1953	1954 Estimate	1955
Balance Carried Forward	63,226 (2a)	111,948	
Fiscal Year Operations			
Total U.S. Aid Furnished	70,228	55,000	
Less Counterpart Waived	-	-	
Net Counterpart Requirements	70,228	55,000	
Actual Counterpart Deposits	133,454 (2b)	166,948	
Commensurate basis	-	-	
Sales Proceeds Basis	-	-	
Other	401 (2c) 4/	-	
Less transfers for U.S. use			
Balance Available For Country Use	133,053 (2d)	166,948	
Actual Withdrawals 3/	21,105 (2d)	55,000	
Balance in Special Account	111,948 (2d)	111,948	
Disbursement from Project Accounts			

1/ Extent of U.S. Control over disbursements - joint control over actual withdrawals from Special bank accounts, no control over disbursements from project accounts.
2/ Average rate of exchange at which deposits were made: a. ₤2.80; b. ₤1.4018; c. ₤1.6882; d. ₤1.5661.
3/ There were no deposits to joint funds.
4/ Balance 5% Administrative fund; none accruing for FY '53.

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COUNTRY: ISRAEL

[redacted]

Table XIII

ISRAEL DEVELOPMENT PROGRAM

(millions of Israel Pounds)

A - Expenditure

A C T I V I T Y	Phasing of Expenditures: Prior to FY 1952/53 1/	FY 1952/53	FY 1953/54 2/
(1) Agriculture (incl. development of the Arava)	45.4	35.0	49.2
(2) Industry, Mines (including electricity)	18.8	14.4	27.9
(3) Transportation & Postal Services	16.8	10.7	14.9
(4) Housing	47.3	19.4	13.4
(5) Different Plans:			
(a) Local Authorities & Public Utilities	17.0	5.1	6.6
(b) Public Works (including Public Buildings)	26.2	12.4	25.5
(c) Funds and various enterprises (including Tourism and Hotel Industry, Jerusalem Development, etc.)	4.6	3.4	7.5 3/
TOTAL	176.1	100.4	145.0
Estimated Dollar Equivalent (millions of dollars)	225	80	97

1/ Three years.
2/ Budget
3/ Including Reserve

Because of rapid price changes and a number of exchange rate adjustments during the period there is no reliable way of determining dollar equivalents. The estimate presented here is derived by adjusting 1951/52 and 1952/53 figures by a factor allowing for price changes (about 100% from 1951/52 to 1953/54) and by using a ratio of IL 1.5 = $1 to derive a dollar equivalent for all IL figures.

NOTE: Because of the uncertainties in the situation no attempt has been made to project the data beyond the current Budget Year which ends on March 31, 1954.

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[redacted]

COUNTRY ISRAEL

BALANCE OF PAYMENTS [redacted]
(Million of Dollar Equivalents)

TABLE XIV

	1952 Payments	1952 Receipts	1953 Payments	1953 Receipts	1954 Payments	1954 Receipts
Current Account:						
Trade						
Invisible						
Subtotal, Current Account						
Capital Account:						
Short term						
Long term - Public						
U.S.:						
Loans						
Grants						
IBRD						
Others						
Long term - Private						
U.S.						
Other						
Subtotal, Capital Account						
Changes in Reserves						
Errors and Omissions						
Total Balance of Payments						
Memorandum on Reserves:						
Status, end of period:						
Gold and dollars						
Other key currencies						
Other						

Israel Balance of Payments statistics cannot be presented at this time since the Central Statistical Bureau is still compiling the basic data.

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[redacted]

TABLE XV

COUNTRY ISRAEL

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GENERAL FEDERAL GOVERNMENT FINANCE
(In Millions of IL - Israel Pounds)

	1951/2	1952/3	1953/4 (1)
REVENUE			
Import and Export Taxes	13.8	18.4	23.0
Excise taxes and monopoly profits	22.2	30.9	40.0
Income Taxes	32.2	56.4	80.5
Other taxes	19.8	44.5	45.7
Profits on Government Enterprises	11.8	20.3	26.9
Special account (FOA counterpart)	-	10.5	55.5
German Reparations	-	8.9	54.5
Other Revenues	24.6	48.4	37.2
Total Revenue	124.4	238.3	363.3
EXPENDITURE			
National defense (2)	38.0	46.2	42.0
Ordinary budget	97.5	134.3	171.3
Development budget	73.5	100.4	145.0
Total Expenditures	209.0	280.9	358.3
Deficit or Surplus:	- 84.6	- 42.6	+ 5.0
Estimated Dollar Equivalent (Millions of US Dollars)			
Revenue	159	190	242
Expenditures	267	224	239
Deficit or Surplus	- 108	- 34	+ 3

(1) Budget.
(2) Does not include special defense budget expenditures.
(3) Because of rapid price changes and a number of exchange rate adjustments during the period there is no reliable way of determining dollar equivalents. The estimate presented here is derived by adjusting 1951/52 and 1952/3 figures by a factor allowing for price changes (about 100% from 1951/52 to 1953/54) and by using a ratio of IL 1.5 = $1 to derive a dollar equivalent for all IL figures.

NOTE: Because of the uncertainties in the situation no attempt has been made to project the data beyond the current Budget Year which ends on March 31, 1954.

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Table XVI

COUNTRY ISRAEL

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PROGRAM PERSONNEL

A. By Fiscal Years

Type	Positions Authorized 53	54	55	Man Years 53	54	55	Positions Filled (June 30) 53	54	55	Obligations (In thousands of dollars) Personal Services a/ 53	54	55	Total Cost b/ 53	54	55
I. Field															
A. Permanent employees															
U.S. employees		17	17		17	17		17	17	—	—	—		153	153
F.O.A.	46	80	76	40			17	80	76				231	871	865
Other Agencies		(40)	(40)	0	(40)	(40)	0	(40)	(40)				(0)	(113)c/	(117)c/
Locals (paid from $ funds)															
B. Temporary and part time															
U.S. employees							0			—	—	—	0	0	0
F.O.A.	0	0	0	0			0			—	—	—	0	0	0
Other Agencies	0	0	0	0			0			—	—	—	0	0	0
Locals (paid from $ funds)	0	0	0	0											
C. Contract employees															
U.S. citizens	3	9b/	1	1		.5	3	9	1	—	—	—	28	0b/	8
Other	0	0	0	0			0	0	0	—	—	—	0	0	0
II. Washington															
A. Employees	x	x	x				x	x	x						
F.O.A.	x	x	x				x	x	x						
Other Agencies	x	x	x				x	x	x						
B. Contracts	x	x	x				x	x	x						
Total	49	106	94				20	106	94				259	1024	1026

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COUNTRY ISRAEL

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Table XVI cont'd

B. By Quarters 4/

(Positions filled, end of quarter)

Type	1954				1955			
	1st	2nd	3rd	4th	1st	2nd	3rd	4th
I. Field								
A. Permanent U.S. employees	Data Not Available							
F.O.A.								
Other Agencies								

a/ Salary and allowances only.
b/ Should agree with total obligations shown under "Program personnel" in Table VII. Exceeds "Personal Services" by including costs of international travel, transportation of effects and related costs.
c/ Salary for locals is reported on Table VII under Local Costs. For this reason it is not added into the totals on this table.
d/ The nine contract personnel in fiscal year 1954 are paid from fiscal year 1953 funds.

4/ Positions referred to are same as in I-A.

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COUNTRY ISRAEL

TABLE XVII

A- FUNDS FOR TRAINING AWARDS
(Thousands of Dollars)

	FY 1952	FY 1953	FY 1954	FY 1955
Obligations (net)			191	150
Expenditures				
Unliquidated Obligations				

B - NUMBER OF GRANTEES

	AS OF JUNE 30			
	1952	1953	1954	1955
1952 Program (total)				
Authorized	3	0	0	
in training	0	3	0	
training completed	0	0	3	
not yet arrived	0	0	0	
cancelled	0	0	0	
*1953 Program (total)				
authorized		63*	17*	0
in training		2	32	6
training completed		10	30	32
not yet arrived		51	6	0
cancelled		0	0	0
1954 Program (total)				
authorized			70	—
in training			20	15
training completed			1	49
not yet arrived			49	5
cancelled			—	—

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A - FUNDS FOR TRAINING AWARDS
(Thousands of Dollars)

TABLE XVII (contd)

	AS OF JUNE 30			
	1952	1953	1954	1955
1955 Program (total)				57
authorized			x	26
in training				7
completed				24
not yet arrived				

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*Program agreement permits obligations until entire funds committed regardless of fiscal year; approximately total of 80 grants anticipated.

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APPROPRIATION FY 1955
COUNTRY JORDAN

OBLIGATIONS BY ACTIVITY AND SUB-ACTIVITY
(Thousands of Dollars)

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TABLE VI

	PROGRAM AGREEMENT OBLIGATIONS						TOTAL FY 1953 Obligations
	FY 1952 FUNDS			FY 1953 FUNDS			
	Total	Reserved	Unreserved	Total	Reserved	Unreserved	
AGRICULTURE & NATURAL RESOURCES							
Plant Disease & Insect Control	41	19	22				
Agr. Machinery Demonstration	203	140	63				
Direction - Cooperative Dept.	6	-	6				
Horticultural Improvement	21	10	11				
Livestock Disease Control	24	2	22				
Agr. Master Account	85	85	-	475	55	420	
Water Resources Equipment Supply	288	234	54				
Yarmouk-Jordan Valley Project	587	587	-	112	87	25	
Range Management & Ground Water Dev.	120	120	-	33	33	-	
Range Resources Master Account	80	80	-				
Construction Grain Storage Elevator	100	86	14				
Water Resources Master Account				17	12	5	
General Wadi Development				200	-	200	
Wadi Duhliel Project				215	-	215	
Forestry & Soil Conservation				32	7	25	
Total Program Agreement Obl.	1555	1363	192	1084	194	890	1084
Technicians							230
Trainees							20
Total Obl. Inc. Tech & Trainees							1334
HEALTH & SANITATION							
Direction & Administration	45	11	34				
Const., Furnishing Central Laboratory	53	32	21				
Central Laboratory Operation	31	28	3	2	-	2	
Const. Maternity Hospital	48	-	48				
Completion T.B. Center at Amman	20	-	20				
Nursing School Operation	11	8	3				
Basic Equip. for T.B. Hospital	26	20	6				
Environmental Sanitation-Amman	23	16	7				
Health & San. Master Account	73	73	-	228	172	56	
Community Loan Program	190	190	-				
Total Program Agreement Obl.	520	378	142	230	172	58	230

[redacted]

	PROGRAM AGREEMENT OBLIGATIONS						TOTAL FY 1953 Obligations
		FY 1952 FUNDS			FY 1953 FUNDS		
	Total	Reserved	Unreserved	Total	Reserved	Unreserved	
HEALTH & SANITATION (Cont'd)							
Technicians							69
Trainees							-
Total Obl. Inc. Tech. & Trainees							299
EDUCATION							
Direction & Administration	14	6	8				
Establish Commercial Departments	12	12	-				
Const. & Equip. Women's Normal School-Ramallah	133	34	99				
Const. & Equip. Men's Teacher Col. Amman	163	31	132				
Equip. Rural Training Center-Beit Hanina	60	33	27				
Const. & Equip. Shops for Trade Schools at Amman	53	36	16	102	-	102	
English Libraries for Jordan Schools				5	-	5	
Craft Classes in Gov't Schools				11	-	11	
Education Master Account				249	190	59	
Total Program Agreement Obl.	435	152	283	367	190	177	367
Technicians							61
Trainees							20
Total Obl. Inc. Tech & Trainees							448
TRANSPORTATION & COMMUNICATIONS							
Road Development	130	126	4	30	16	14	
Bldg. & Road Materials Study Master Account				90	90	-	
Total Program Agreement Obl.	130	126	4	120	106	14	120
Technicians							
Trainees							120
Total Obl. Inc. Tech. & Trainees							

APPROPRIATION FY 1955
COUNTRY JORDAN

	PROGRAM AGREEMENT OBLIGATIONS						TOTAL FY 1953 Obligations
	FY 1953 FUNDS			FY 1953 FUNDS			
	Total	Reserved	Unreserved	Total	Reserved	Unreserved	
INDUSTRY AND MINING							
Preliminary Surveys & Studies	35	30	5				
Direct. & Admin. Min. Dev.	3	1	2				
Direct. & Admin. Ind. Dev.	3	3	-				
Dev. Trade & Travel	29	-	29				
Survey Dead Sea Resources	50	46	4				
Olive Oil Studies	11	9	2				
Aerial Survey	175	175	-				
Industry Master Account				233	233	-	
Total Program Agreement Obl.	306	264	42	233	233		233
Technicians							61
Trainees							3
Total Obl. Inc. Tech. & Trainees							297
PUBLIC ADMINISTRATION							
Census Program	124	48	76	126	10	116	
Total Program Agreement Obl.	124	48	76	126	10	116	126
Technicians							20
Trainees							38
Total Obl. Inc. Tech. & Trainees							184
GENERAL & COMMUNITY DEV.							
Training	100	97	3	—	—	—	
Total Program Agreement Obl.	100	97	3				
COUNTRY TOTAL (Excluding Program Direction)	3170	2428	742	2160	905	1255	2682

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APPROPRIATION FY 1955

TABLE VIII

COUNTRY JORDAN

EXPENDITURES BY ACTIVITY
(Thousands of Dollars)

	TOTAL	Agri. 1	H & S 2	Edu. 3	Trans. 4	Ind. 5	P.A. 6	Gen.and Com.Dev. 7	TRAINING
Status as of 6/30/53									
FY 1952 Obligations	3355	1658	582/a	441	130	315	129	/a	100
Exp. of '52 Obligations	908	386	265	126	43	22	48		18
Unliquidated '52 Obligations	2447	1272	317	315	87	293	81		82
FY 1953 Obligations	2682	1334	299	448	120	297	184	-	/b
Exp. of '53 Obligations	357	167	89	47	-	34	20	-	-
Unliquidated '53 Obligations	2325	1167	210	401	120	263	164	-	-
Total Unliquidated Obligations	4772	2439	527	716	207	556	245		82
FY 1954									
Unliquidated previous Obligations	4772	2439	527	716	207	556	245	-	82
New FY 1954 Funds	2213	1187	234	287	261	222	11	11	
Total Available	6985	3626	761	1003	468	778	256	11	82
Expenditures during FY 1954	5000	2250	600	800	400	700	200	10	40
Total Unliquidated Obligations (6/30/54)	1985	1376	161	203	68	78	56	1	42
FY 1955									
Unliquidated previous obligations	1985	1376	161	203	68	78	56	1	42
New FY 1955 Funds	2411	1161	240	245	124	319	13	309	-
Total Available	4396	2537	401	448	192	397	69	310	42
Expenditures during FY 1955	3000	1330	350	400	175	375	50	300	20
Total Unliquidated Obligations (6/30/55)	1396	1207	51	48	17	22	19	10	22

a/ $190,000 for community loan funds for Sanitation included in column 2.
b/ FY 1953 Training funds included in columns 1 to 6.

October 26, 1953

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Appropriation FY 1955
Country Jordan

TABLE VIII A

ESTIMATED EXPENDITURES BY COST FACTORS (Thousands of Dollars)

Status as of June 30, 1953	TOTAL	AGREEMENT FUNDS FOR SUPPLIES AND EQUIPMENT AND FIELD COSTS	Technicians	Misc.Supplies & Equip.	Trainees
FY 1952 Obligations	3355	3070	93	92	100
Expend. of '52 Oblig.	908	809	81	-	18
Unliquidated '52 Oblig.	2447	2261	12	92	82
FY 1953 Obligations	2682	2160	440	-	82
Expend. of '53 Oblig.	357	53	304	-	—
Unliquidated '53 Oblig.	2325	2107	148	-	82
Total Unliquidated Oblig.	4772	4368	148	92	164
FY 1954					
Unliquidated Previous Oblig.	4772	4368	136	92	164
New FY 1954 Funds	2213	1430	632	-	151
Total Available	6985	5798	780	92	315
Expend. during FY 1954	5000	4028	680	92	200
(6/30/54) Total Unliquidated Oblig.	1985	1770	100	-	115
FY 1955					
Unliquidated Previous Oblig.	1985	1770	100		115
New FY 1955 Funds	2411	842	1261		308
Total Available	4396	2612	1361		423
Expend. during FY 1955	3000	1450	1250		300
(6/30/55) Total Unliquidated Oblig.	1396	1162	111		123

a/ S & E Funds not covered by Program Agreement Funds

October 27, 1953

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TABLE X

COUNTRY: JORDAN

STATUS OF JOINT FUNDS*
(thousand U.S. Dollars Equivalents)

Fund Title T.C.S.-J-Joint Fund Accounts	1953	1954	1955
Contributions			
Unobligated Bal. Carried Forward	4417	2136	5651
U.S. Deposits	2160	1430	842
Host Government and Other	1167	12085	11928
Total Available	7744	15651	18421
Obligations	5608	10000	15000
Unobligated Balance	2136	5651	3421
Expenditure	2047	5000	10000

* Includes UNRWA and other which may or may not be placed in Joint Funds

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[redacted]

TABLE XI

COUNTRY: JORDAN
Appropriation FY 1955

STATUS OF COUNTERPART FUNDS
(Thousand U.S. Dollar Equivalents)

Designation of Fund	1953 (actual)	1954 (estimate)	1955 (estimate)
Balance carried forward	1,264 a/	113	0
Fiscal Year Operations			
Total U.S. aid furnished	1,264	11,000 c/	10,000 e/
Less counterpart waived		6,000	
Net counterpart requirements	1,264		
Counterpart deposits		5,000	
Commensurate basis			
Sales proceeds basis	$1.00 = .3569&JD		
Other			
Less transfers for U.S. use	63	d/	
Balance Available for Country Use	1,201		
Actual Withdrawals	1,088 b/		
Balance in Special Acct.	113		
Disbursements from projects accounts	308		

Joint with Jordan Government
$1.00 = .3569&JD.

N.B. This is exclusive of technical assistance.

a/ Wheat shipments in January 1952.

b/ All placed in joint funds.

c/ Approximately $1,000 (000) in wheat (9,500 tons) committed; this will generate an equivalent amount of counterpart depending on sales price in Jordan. This wheat is to be supplied under P.L. 216. Also, approximately $10,000 (000) special economic aid is estimated. Of this, about $6,000 (000) will not generate counterpart.

d/ Data not yet available.

e/ Special economic aid. Of this, approximately $6,000 (000) would not generate counterpart.

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COUNTRY JORDAN

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TABLE XII

APPROPRIATION FY 1955

U.S. AND JORDAN RESOURCES DEVOTED TO AID PROGRAM
(Thousands of U.S. Dollar Equivalent)

ACTIVITY		Total U.S. Obligations	Actual Counterpart Withdrawals	Direct Country Contributions			Totals
				Joint Fund	Other Cash	Kind	
1. Agriculture & Natural Resources	1953	1334	168	168	140	-	308
	1954	1187	814	250		280	530
	1955	1161	441	250		280	530
2. Health and Sanitation	1953	299	84	84	8	360	452
	1954	234	106	120	40	60	220
	1955	240	70	120	40	60	220
3. Education	1953	448	28	28	-	267	295
	1954	287	192	50	30	40	120
	1955	245	101	50	30	40	120
4. Transportation & Communications	1953	120	28	28	84	-	112
	1954	261	198	30	-	30	60
	1955	124	10	110	-	70	180
5. Industry and Mining	1953	297	*	*	*	-	*
	1954	222	120	40	-	30	70
	1955	319	100	55	-	45	100
6. Public Administration	1953	184	*	*	*	-	*
	1954	11	-	0	-	100	100
	1955	13	-	0	-	20	20
7. General & Community Development	1953	-	*	*	*	-	*
	1954	11	-	10	-	40	50
	1955	309	120	18	100	190	308
TOTAL	1953	2,682	308	308	232	627	1,167
	1954	2,213	1,430	500	70	580	1,150
	1955	2,411	842	603	170	705	1.478

* Included in Communications & Transportation (4) items.

Table XVI

COUNTRY JORDAN

PROGRAM PERSONNEL

By Fiscal Years

(IN thousands of Dollars)

Type	Positions Authorized 53	54	55	Man Years 53	54	55	Positions Filled (June 30) 53	54	55	Obligations: Personal Services 1/ 53	54	55	Obligations: Total cost 2/ 53	54	55
I. Field															
A. Permanent employees 3/				Data not available											
U.S. employees															
F.O.A.	11	11	23				4	11	23	32	92	270	50	130	255
Other agencies	73	73	74				19	59	74	209	368	730	390	502	1006
Locals (paid from $ funds)	14	14	14				-	14	14	-			-		
B. Temporary and part time 4/															
U.S. employees	0	0	0				-	-	-	-	-	-	-	-	-
F.O.A.	0	0	0				-	-	-	-	-	-	-	-	-
Other agencies	0	0	0				-	-	-	-	-	-	-	-	-
Locals (paid from $ funds)	2000	3000	2000				2000	2000	2000	(228)	(315)	(350)	(228)	(315)	(350)
C. Contract employees															
U.S. citizens	5	20	10												
Other	15	100	50												
Total	2118	3218	2171				2023	2084	2111	241	460	1000	440	632	1261

COUNTRY JORDAN

Table XVI cont'd

B. By Quarters 4/

(Positions filled, end of quarter)

Type	FY - 1953				FY - 1954			
	1st	2nd	3rd	4th	1st	2nd	3rd	4th
I. Field								
A. Permanent U.S. employees								
F.O.A.	6	6	6	6	6	8	11	11
Other agencies	13	20	20	19	25	30	40	59

1/ Salary and allowances only.

2/ Agrees with Table VII. Includes personal services, international travel, transportation of effects and related costs.

3/ Persons hired for terms of one year or over.

4/ Includes those paid from Joint Funds - dollars converted. Not included in obligation totals in order to balance with Table VII. On that table salaries for local personnel were included under local costs.

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COUNTRY JORDAN

[redacted]

TABLE XVII

A - FUNDS FOR TRAINING AWARDS
(Thousands of Dollars)

	FY 1952	FY 1953	FY 1954	FY 1955
Obligations (net)	100	82*	151	308
Expenditures	18			
Unliquidated Obligations	82	82		

B - NUMBER OF GRANTEES

	AS OF JUNE 30			
	1952	1953 Oct. 6, '53	1954	1955
1952 Program (total)		32 33		
enroute or in training		22 22		
training or in training		6 6		
cancelled		1 1		
deferred		1 1		
processing		2 3		
1953 Program (total)	x	26 26*		
enroute or in training	x	0 10		
training completed	x	0		
cancelled or request refused FOA/W		0 3		
processing		25 12		
1954 Program (total)	x	x 48	44	
enroute or in training	x	x 42(AUB) 6(other)	44(to USA) Range Program	
training completed	x	x 0		
cancelled	x	x 0		

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COUNTRY JORDAN

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TABLE XVII (contd)

B - NUMBER OF GRANTEES

	AS OF 30 JUNE			
	1952	1953 Oct. 6, '53	1954	1955
1955 Program (total)	x	x	x	77
enroute or in training	x	x	x	

NOTE: 1952 & 1953 program report above does not include scholars @ AUB. 1954 program includes AUB students.
* Field fiscal report reports this programmed figure as an obligation but only 11 grants were accomplished during 1953 totaling $56,000
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OBLIGATIONS BY ACTIVITY AND SUB-ACTIVITY
(Thousands of Dollars)

TABLE VI

APPROPRIATION FY 1955
COUNTRY LEBANON

	PROGRAM AGREEMENT OBLIGATIONS						TOTAL
	FY 1952 FUNDS			FY 1953 FUNDS			FY 1953
	Total	Reserved	Unreserved	Total	Reserved	Unreserved	Obligations
AGRICULTURE & NATURAL RESOURCES							
Poultry	47	28	19	-	-	-	
Veterinary	49	23	26	-	-	-	
Irrigation	55	34	21	-	-	-	
Forestry	20	14	6	-	-	-	
Extension	81	80	1	-	-	-	
Agronomy	49	44	5	-	-	-	
Animal Husbandry	171	166	5	-	-	-	
Marketing	65	61	4	-	-	-	
Farm Machinery	184	180	4	-	-	-	
Kasmie Construction	450	12	438	-	-	-	
Litani River Basin Invest.	638	632	6	-	-	-	
Water Reconnaissance Surveys	20	5	15	-	-	-	
Misc. Agric. N.R. Projects				-	-	-	
Total Prog. Agmt. Obl.	1,964	1,392	582	-	-	-	1,964
Total Obl. Inc. Tech.							2,365
HEALTH & SANITATION							
Demons. Urban Health Center	15	14	1	-	-	-	
Central P.H. Laboratory	135	120	15	-	-	-	
Y.W.C.A. -- Social Welfare	51	51	-	-	-	-	
Village Health Service	131	93	38	-	-	-	
Misc. H. & S. Projects				-	-	-	
Total Prog. Agmt. Obl.	502	432	60	-	-	-	502
Total Obl. Inc. Tech.				-	-	-	541
EDUCATION							
School Health	22	13	9	-	-	-	
Demons. Elem. School	89	88	1	-	-	-	
Adult Education -- Eng.	12	5	7	-	-	-	
General Education Proj.	20	14	6	-	-	-	
Young Lebanon Artisan School	82	80	2	-	-	-	

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	PROGRAM AGREEMENT OBLIGATIONS						TOTAL
	FY 1952 FUNDS			FY 1953 FUNDS			FY 1953
	Total	Reserved	Unreserved	Total	Reserved	Unreserved	Obligations
Education, CONT'D							
Misc. Education. Projects				-	-	-	
Total Prog. Agmt. Obl.	209	174	35	-	-	-	209
TRANSPORTATION & COMMUNICATIONS							
Air Navigation	50	-	50	-	-	-	
Joint Comm. Planning	2	-	2	-	-	-	
Misc. Trans. & Comm. Projects	4	3	1	-	-	-	
Total Prog. Agmt. Obl.	56	3	53	-	-	-	56
Total Obl. Inc. Tech.				-	-	-	67
INDUSTRY & MINING							
Industry Institute	56	51	5	-	-	-	
Tourism Admin.	6	6	-	-	-	-	
Tourism Promotion	15	1	14	-	-	-	
Youth Hostel	22	-	22	-	-	-	
Rural Statistical Surveys	51	46	5	-	-	-	
Misc. Ind. & Mining Projects				-	-	-	
Total Prog. Agmt. Obl.	193	142	51	-	-	-	193
Total Obl. Inc. Tech.				-	-	-	198
PUBLIC ADMINISTRATION							
Training	5	4	1	-	-	-	5
Total Obl. Inc. Tech.							5
GENERAL COMMUNITY DEV.							
Village Water Supply	15	13	2	-	-	-	
Kasmie Rural Improv.	89	6	83	-	-	-	
Kasmie R. Comm. Service Tr. Center	21	-	21	-	-	-	
Saneer Rural Improv.	40	-	40	-	-	-	
Misc. Gen. Com. Projects							
Total Prog. Agmt. Obl.	171	25	146	-	-	-	171
Total Obl. Inc. Tech.				-	-	-	178
COUNTRY TOTAL (Excluding Program Direction)	3,100	2,172	928	-	-	-	3,581

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APPROPRIATION FY 1955

COUNTRY LEBANON

TABLE VIII

ESTIMATED EXPENDITURES BY ACTIVITY
(Thousands of Dollars)

	TOTAL	Agri. 1	H & S 2	Edu. 3	Trans. 4	Ind. 5	P.A. 6	Gen. and Com. Dev. 7
Status as of 8-31-53								
FY 1952 Obligations	3581	2365	541	227	67	198	5	178
Exp. of '52 Obligations	1906	1270	300	172	10	138	4	12
Unliquidated '52 Obligations	1675	1095	241	55	57	60	1	166
FY 1953 Obligations	573	403	65	50	-	15	-	40
Exp. of '53 Obligations	563	400	65	49	-	14	-	35
Unliquidated '53 Obligations	10	3	-	1	-	1	-	5
Total Unliquidated Obligations	1685	1098	241	56	57	61	1	171
FY 1954								
Unliquidated previous Oblig.	1685	1098	241	56	57	61	1	171
New FY 1954 Funds	2800	1736	320	236	37	307	61	103
Total Available	4485	2834	561	292	94	368	62	274
Expenditures during FY 1954	3500	2199	461	242	69	268	37	224
Total Unliquidated Obligations (6-30-54)	985	635	100	50	25	100	25	50
FY 1955								
Unliquidated previous Oblig.	985	635	100	50	25	100	25	50
New FY 1955 Funds	2567	1191	282	268	-	227	59	540
Total Available	3552	1826	382	318	25	327	84	590
Expenditures during FY 1955	2500	1299	282	218	25	227	59	390
Total Unliquidated Oblig. (6-30-55)	1052	527	100	100	-	100	25	200

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TABLE VIII A

Appropriation FY 1955
Country Lebanon

ESTIMATED EXPENDITURES BY COST FACTORS

(Thousands of Dollars)

Status as of August 31, 1953	Total	AGREEMENT FUNDS FOR SUPPLIES AND EQUIPMENT AND FIELD COSTS	Technicians	Trainees
Unliquidated '52 Oblig.	1675	1628b/	-	47
FY 1953 Obligations	573	-	573	-
Expend. of '53 Oblig.	563	-	563	-
Unliquidated '53 Oblig.	10	-	10	-
Total Unliquidated Oblig.	1685	1628	10	47
FY 1954				
Unliquidated Previous Oblig.	1685	1628	10	47
New FY 1954 Funds	2800	1765	885	150
Total Available	4485	3393	895	197
Expend. during FY 1954	3500	2520	800	180
(6/30/54) Total Unliquidated Oblig.	985	873	95	17
FY 1955				
Unliquidated Previous Oblig.	985	873	95	17
New FY 1955 Funds	2567	1693	759	115
Total Available	3552	2566	854	132
Expend. during FY 1955	2500	1580	800	120
(6/30/55) Total Unliquidated	1052	986	54	12

a/ PART OF PROGRAM AGREEMENT FUNDS
b/ INCLUDES EXPENDITURES OF 1392 THOUSAND OF 3100 PROGRAM AGREEMENT FUNDS

October 27, 1953

Country LEBANON

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TABLE XII

U.S. AND LEBANON RESOURCES DEVOTED TO AID PROGRAM
(Thousands of U.S. Dollar Equivalents)

ACTIVITY		Total U.S. Obligations	Actual Counterpart Withdrawals	Direct Country Contributions			Totals
				Joint Fund	Other Cash	Kind	
1. Agriculture & Natural Resources	1953	403	-	-	203	7	210
	1954	1736	-	-	689	109	798
	1955	1191	-	-	672	173	845
2. Health and Sanitation	1953	65	-	-	-	-	-
	1954	320	-	-	25	79	104
	1955	282	-	-	57	79	136
3. Education	1953	50	-	-	-	-	-
	1954	236	-	-	278	84	362
	1955	268	-	-	276	85	361
4. Transportation & Communications	1953	-	-	-	-	-	-
	1954	37	-	-	-	-	-
	1955	-	-	-	-	-	-
5. Industry and Mining	1953	15	-	-	-	-	-
	1954	307	-	-	88	12	100
	1955	227	-	-	135	-	135
6. Public Administration	1953	-	-	-	50	-	50
	1954	61	-	-	24	-	24
	1955	59	-	-	28	-	28
7. General & Community Development	1953	40	-	-	-	-	-
	1954	103	-	-	10	-	10
	1955	540	-	-	150	-	150
TOTAL	1953	573	-	-	253	7	260
	1954	2800	-	-	1114	284	1398
	1955	2567	-	-	1318	337	1655

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October 24, 1953.

TABLE XIV

COUNTRY LEBANON

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BALANCE OF PAYMENTS
(Million of dollar equivalents) 1/

	1952 2/		1953 2/3/		1954 3/	
	Payments	Receipts	Payments	Receipts	Payments	Receipts
Current Account:						
Trade 4/	129.4	22.9	133.0	25.7	135.7	28.6
Invisible	14.3	125.7	17.0	128.6	20.0	131.4
Subtotal, Current Account	143.7	148.6	150.0	154.3	155.7	160.0
Capital Account: 5/						
Short term	8.6	--	8.8	--	9.7	--
Long term - Public	--	--	--	--	--	--
U.S.:	--	--	--	--	--	--
Loans	--	--	--	--	--	--
Grants	--	--	--	--	--	--
IBRD	--	--	--	--	--	--
Others	--	5.7	--	6.8	--	8.0
Long term - Private	--	--	--	--	--	--
U.S.	--	--	--	--	--	--
Other						
Subtotal, Capital Account	8.6	5.7	8.8	6.8	9.7	8.0
Changes in Reserves	2.0	--	2.3	--	2.6	--
Errors and Omissions	--	--	--	--	--	--
TOTAL BALANCE OF PAYMENTS	154.3	154.3	161.1	161.1	168.0	168.0

Memorandum on Reserves:
Status, end of period: 6/

Gold and dollars	30.6
Other key currencies 7/	10.9
Other	0.6

1/ Exchange rate assumed: U.S. Dollar = 3.50 Lebanese Pounds
2/ Calendar years
3/ 1953 and 1954 estimates

4/ All trade figures are CIF
5/ Capital account figures are given net
6/ December 31, 1952
7/ Principally francs

October 23, 1953

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COUNTRY LEBANON

[redacted]

TABLE XVI

PROGRAM PERSONNEL

A. By Fiscal Years

Type	Positions Authorized 53	54	55	Man Years 53	54	55	Positions Filled (June 30) 53	54	55	Obligations Personal Services 1/ 53	54	55	Total Cost 2/ 53	54	55
I. Field															
A. Permanent employees 5/															
U.S. employees															
F.O.A.															
Other agencies	55	70	58	51	57	57	48	56	57	687	658		885	759	
Locals (paid from $ funds)	63	238	229	169	434	434	61	246	274	(271)	(308)		(271)	(308)	
B. Temporary and part time															
U.S. employees															
F.O.A.															
Other agencies															
Locals (paid from $ funds)	1	141	91	1	144	100	1	143	95	(39)	(39)		(39)	(39)	
C. Contract employees															
U.S. citizens															
Other 3/	3	3	3	1	1	1	1	1	1	(5)	(5)		(5)	(5)	
II. Washington															
A. Employees	x	x	x				x	x	x						
F.O.A.	x	x	x				x	x	x						
Other agencies	x	x	x				x	x	x						
B. Contracts	x	x	x				x	x	x						
Total										687	658		885	759	

[redacted]

COUNTRY LEBANON

TABLE XVI Con't.

B. By Quarters 4/

(positions filled, end of quarter)

Type	FY 1953 1st	2nd	3rd	4th	FY 1954 1st	2nd	3rd	4th
I. Field								
A. Permanent U.S. employees								
F.O.A.	Data not available.							
Other agencies								

1/ Salary and allowances only.
2/ Should agree with total obligations shown under "Program personnel" in Table VII. Salaries for local personnel were reported under local costs on Table VII, and for this reason are not included in totals on this sheet. Exceeds "Personal Services" by including costs of international travel, transportation of effects and related costs.
3/ Technicians other than U.S. citizens, may be shown by footnote. (applied primarily to TCA).
4/ Positions referred to are same as in I - A.
5/ Persons hired for terms of one year or over.

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COUNTRY LEBANON

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TABLE XVII

A – FUNDS FOR TRAINING AWARDS
(Thousands of Dollars)

	FY 1952	FY 1953	FY 1954	FY 1955
New Obligations (net)	259	30	150	115
Expenditures	214	—	115	120
Unliquidated Obligations	45	75	110	—

B – NUMBER OF GRANTEES

	AS OF JUNE 30th			
	1952	1953	1954	1955
*1952 Program (total)				
authorized	11	38	8	0
in training	1	21	8	13
training completed	0	4	5	17
not yet arrived	10	22	0	0
cancelled	0	2	0	0
1953 Program (total				
authorized	x	0	0	0
in training	x	0	0	0
training completed	x	0	0	0
not yet arrived	x	0	0	0
cancelled	x	0	0	0
1954 Program (total)				
authorized	x	x	34	0
in training	x	x	10	21
training completed	x	x	3	12
not yet arrived	x	x	21	0
cancelled	x	x	x	0
1955 Program (total)				
authorized	x	x	x	29
in training	x	x	x	10
training completed	x	x	x	2
not yet arrived	x	x	x	17
cancelled	x	x	x	x

* Program agreement of fiscal year 1952 permitted obligation until entire fund was committed, regardless of fiscal year

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OBLIGATIONS BY ACTIVITY AND SUB-ACTIVITY
(Thousands of Dollars)

APPROPRIATION FY 1955
COUNTRY SAUDI ARABIA

TABLE VI

FY 1953*

FIELD OF ACTIVITY	TOTAL OBLIGATIONS
Agriculture and Natural Resources	200
Health and Sanitation	120
Education	70
Transportation and Communications	425 1/
Industry and Mining	---
Public Administration	100
General and Community Development	650 2/
TOTAL	1565

*Estimated. No fiscal data showing actual obligations and expenditures as of June 30, 1953 has been received. However, an estimated $250,000 is still unsub-obligated from the U. S. contribution of $500,000 for the Community Development Project.

1/ $352, 000 for Railroad Survey Contract

2/ $500,000 for Community Development Project.

October 27, 1953

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APPROPRIATION FY 1955

TABLE VIII

COUNTRY SAUDI ARABIA

ESTIMATED EXPENDITURES BY ACTIVITY
(Thousands of Dollars)

	TOTAL	Agri. 1	H & S 2	Edu. 3	Trans. 4	Ind. 5	P.A. 6	Gen. and Com. Dev. 7
Status as of 6-30-53								
FY 1952 Obligations	162	147	8	2	-	-	5	-
Exp. of '52 Obligations	140	125	8	2	-	-	5	-
Unliquidated '52 Obligations	22	22	-	-	-	-	-	-
FY 1953 Obligations	1565	200	120	70	425	-	100	650
Exp. of '53 Obligations	408	50	30	10	100	-	18	200
Unliquidated '53 Obligations	1157	150	90	60	325	-	82	450
Total Unliquidated Obligations	1179	172	90	60	325	-	82	450
FY 1954								
Unliquidated previous Oblig.	1179	172	90	60	325	-	82	450
New FY 1954 Funds	1462	676	317	184	188	-	97	-
Total Available	2641	848	407	244	513	-	179	450
Expenditures during FY 1954	1800	407	307	194	413	-	129	350
Total Unliquidated Obligations (6-30-54)	841	441	100	50	100	-	50	100
FY 1955								
Unliquidated previous Oblig.	841	441	100	50	100	-	50	100
New FY 1955 Funds	1669	912	241	232	172	-	112	-
Total Available	2510	1353	341	282	272	-	162	100
Expenditures during FY 1955	2000	1143	241	232	172	-	112	100
Total Unliquidated Obligations (6-30-55)	510	210	100	50	100	-	50	-

October 26, 1953

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Appropriation FY 1955
Country SAUDI ARABIA

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TABLE VIIIA

ESTIMATED EXPENDITURES BY COST FACTORS

(Thousands of Dollars)

	TOTAL	Agreement Funds for Supplies and Equipment and Field Costs	(Amount) Technicians	(Amount) Trainees
Status as of June 30, 1953				
Unliquidated '52 Obligations	22	14	—	8
FY '53 Obligations	1565	1187	306	72 a/
Expend. of '53 Obligations	408	131	275	2
Unliquidated '53 Obligations	1157	1056	31	70
Total Unliquidated Obligations	1179	1070	31	78
FY 1954				
Unliquidated Previous Obligations	1179	1070	31	78
New FY 1954 Funds	1462	540	807	115
Total Available	2641	1610	838	193
Expenditures during FY '54	1800	984	750	66
Total Unliquidated Oblig. (6-30-54)	841	626	88	127
FY 1955				
Unliquidated Previous Obligations	841	626	88	127
New FY 1955 Funds	1669	581	964	124
Total Available	2510	1207	1052	251
Expenditures during FY '55	2000	988	950	62
Total Unliquidated Oblig. (6-30-55)	510	219	102	189

a/ Programmed figure as no actual cost component breakdown has been received from field; however, figure is probably too high.

October 29, 1953

COUNTRY: SAUDI ARABIA

[redacted]

TABLE X

STATUS OF JOINT FUNDS
(Thousand U.S. Dollar Equivalents)

Fund Title Commercial School	1953	1954	1955
Contributions			
Unobligated Bal. Carried Forward		—	—
U.S. Deposits		58	18
Host Government and Other		27	23
Total Available		85	41
Obligations			
Unobligated Balance			
Expenditure			

Summary			
Contributions			
Unobligated Bal. Carried Forward		—	—
U.S. Deposits		58	18
Host Government and Other		27	23
Total Available		85	41
Obligations			
Unobligated Balance			
Expenditure			

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[redacted]

COUNTRY SAUDI ARABIA [redacted] TABLE XII

U.S. AND SAUDI ARABIAN RESOURCES DEVOTEDTO AID PROGRAM
(Thousands of U.S. Dollar Equivalents)

ACTIVITY		Total U.S. Obligations	Actual Counterpart Withdrawals	Direct Country Contributions			Totals
				Joint Fund	Other Cash	In Kind	
Country Total	1953	1565	-	-	1,500	-	1,500
	1954	1462	-	27	1,604	-	1,631
	1955	1669	-	23	4,633	-	4,656

Detail is not readily available for Saudi Arabian contributions by fields of activity.

[redacted]

October 24, 1953.

Table XVI

COUNTRY SAUDI ARABIA

PROGRAM PERSONNEL

A. By Fiscal Years

Type	Positions Authorized 53	54	55	Man Years 53	54	55	Positions Filled (June 30) 53	54	55	Obligations (thousands of dollars) Personal Services 1/ 53	54	55	Total cost 2/ 53	54	55
I. Field															
A. Permanent employees 3/															
U.S. employees															
F.O.A.	8	8					4	8	8	211			264	135	185
Other agencies	36	37					9	36	37					672	779
Locals (Paid from $ funds)							13	57	37	(9)			(9)	(84)	(58)
B. Temporary and part time															
U.S. employees															
F.O.A.															
Other agencies															
Locals (paid from $ funds)															
C. Contract employees															
U.S. citizens															
Other															
II. Washington															
A. Employees	x	x	x				x	x	x						
F.O.A.	x	x	x				x	x	x						
Other agencies	x	x	x				x	x	x						
B. Contracts	x	x	x				x	x	x						
Total													264	807	964

[redacted]

Table XVI cont'd

COUNTRY SAUDI ARABIA

B. By Quarters 4/

(positions filled, end of quarter)

TYPE	1953 1st	1953 2nd	1953 3rd	1953 4th	1954 1st	1954 2nd	1954 3rd	1954 4th
I. Field								
A. Permanent U.S. employees								
F.O.A.	5	8	8	8				
Other agencies	9	18	27	36				

1/ Salary and allowances only.
2/ Agrees with total obligations shown under "Program personnel" in Table VII. Local personnel are not included in the totals because they have been included in local costs on Table VII. This column exceeds "Personal Services" by including costs of international travel, transportation of effects and related costs.
3/ Persons hired for terms of one year or over.
4/ Positions referred to are same as in I - A.

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COUNTRY SAUDI ARABIA

TABLE XVII

A - FUNDS FOR TRAINING AWARDS
(Thousands of Dollars)

	FY 1952	FY 1953	FY 1954	FY 1955
Obligations (net)		57 *	115	124
Expenditures		2		
Unliquidated Obligations		55		

B - NUMBER OF GRANTEES

	AS OF 30 JUNE			
	1952	1953	1954	1955
1952 Program (total)				
enroute or in training				
training completed				
cancelled				
1953 Program (total)	x	14		
enroute or in training	x	14		
training completed	x	0	14	
cancelled	x	0		
1954 Program (total)	x	x	29	
enroute or in training	x	x	29	
training completed	x	x	0	29
cancelled	x	x	0	
1955 Program (total)	x	x	x	31
enroute or in training	x	x	x	31
training completed	x	x	x	
cancelled	x	x	x	

* Probably more accurate than program figure of 72 on Table VII.

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OBLIGATIONS BY ACTIVITY AND SUB-ACTIVITY
(Thousands of Dollars)

APPROPRIATION FY 1955
COUNTRY SAUDI ARABIA

TABLE VI

FY 1953*

FIELD OF ACTIVITY	TOTAL OBLIGATIONS
Agriculture and Natural Resources	200
Health and Sanitation	120
Education	70
Transportation and Communications	425 1/
Industry and Mining	---
Public Administration	100
General and Community Development	650 2/
TOTAL	1565

*Estimated. No fiscal data showing actual obligations and expenditures as of June 30, 1953 has been received. However, an estimated $250,000 is still unsub-obligated from the U. S. contribution of $500,000 for the Community Development Project.

1/ $352, 000 for Railroad Survey Contract

2/ $500,000 for Community Development Project.

October 27, 1953

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APPROPRIATION FY 1955

TABLE VIII

COUNTRY SAUDI ARABIA

ESTIMATED EXPENDITURES BY ACTIVITY
(Thousands of Dollars)

	TOTAL	Agri. 1	H & S 2	Edu. 3	Trans. 4	Ind. 5	P.A. 6	Gen. and Com. Dev. 7
Status as of 6-30-53								
FY 1952 Obligations	162	147	8	2	-	-	5	-
Exp. of '52 Obligations	140	125	8	2	-	-	5	-
Unliquidated '52 Obligations	22	22	-	-	-	-	-	-
FY 1953 Obligations	1565	200	120	70	425	-	100	650
Exp. of '53 Obligations	408	50	30	10	100	-	18	200
Unliquidated '53 Obligations	1157	150	90	60	325	-	82	450
Total Unliquidated Obligations	1179	172	90	60	325	-	82	450
FY 1954								
Unliquidated previous Oblig.	1179	172	90	60	325	-	82	450
New FY 1954 Funds	1462	676	317	184	188	-	97	-
Total Available	2641	848	407	244	513	-	179	450
Expenditures during FY 1954	1800	407	307	194	413	-	129	350
Total Unliquidated Obligations (6-30-54)	841	441	100	50	100	-	50	100
FY 1955								
Unliquidated previous Oblig.	841	441	100	50	100	-	50	100
New FY 1955 Funds	1669	912	241	232	172	-	112	-
Total Available	2510	1353	341	282	272	-	162	100
Expenditures during FY 1955	2000	1143	241	232	172	-	112	100
Total Unliquidated Obligations (6-30-55)	510	210	100	50	100	-	50	-

October 26, 1953

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TABLE VIIIA

Appropriation FY 1955
Country SAUDI ARABIA

ESTIMATED EXPENDITURES BY COST FACTORS

(Thousands of Dollars)

	TOTAL	Agreement Funds for Supplies and Equipment and Field Costs	(Amount) Technicians	(Amount) Trainees
Status as of June 30, 1953				
Unliquidated '52 Obligations	22	14	—	8
FY '53 Obligations	1565	1187	306	72 a/
Expend. of '53 Obligations	408	131	275	2
Unliquidated '53 Obligations	1157	1056	31	70
Total Unliquidated Obligations	1179	1070	31	78
FY 1954				
Unliquidated Previous Obligations	1179	1070	807	115
New FY 1954 Funds	1462	540	838	193
Total Available	2641	1610	750	66
Expenditures during FY '54	1800	984	88	127
Total Unliquidated Oblig. (6-30-54)	841	626	88	127
FY 1955				
Unliquidated Previous Obligations	841	626	964	124
New FY 1955 Funds	1669	581	1052	251
Total Available	2510	1207	950	62
Expenditures during FY '55	2000	988	102	189
Total Unliquidated Oblig. (6-30-55)	510	219		

a/ Programmed figure as no actual cost component breakdown has been received from field; however, figure is probably too high.

October 29, 1953

COUNTRY: SAUDI ARABIA

TABLE X

STATUS OF JOINT FUNDS
(Thousand U.S. Dollar Equivalents)

Fund Title Commercial School	1953	1954	1955
Contributions			
Unobligated Bal. Carried Forward		---	---
U.S. Deposits		58	18
Host Government and Other		27	23
Total Available		85	41
Obligations			
Unobligated Balance			
Expenditure			
Summary			
Contributions			
Unobligated Bal. Carried Forward		---	---
U.S. Deposits		58	18
Host Government and Other		27	23
Total Available		85	41
Obligations			
Unobligated Balance			
Expenditure			

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COUNTRY SAUDI ARABIA

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TABLE XII

U.S. AND SAUDI ARABIAN RESOURCES DEVOTEDTO AID PROGRAM
(Thousands of U.S. Dollar Equivalents)

ACTIVITY		Total U.S. Obligations	Actual Counterpart Withdrawals	Direct Country Contributions			Totals
				Joint Fund	Other Cash	In Kind	
Country Total	1953	1565	-	-	1,500	-	1,500
	1954	1462	-	27	1,604	-	1,631
	1955	1669	-	23	4,633	-	4,656

Detail is not readily available for Saudi Arabian contributions by fields of activity.

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COUNTRY SAUDI ARABIA

Table XVI

PROGRAM PERSONNEL

A. By Fiscal Years

Type	Positions Authorized 53	54	55	Man Years 53	54	55	Positions Filled (June 30) 53	54	55	Obligations (thousands of dollars) Personal Services 1/ 53	54	55	Total cost 2/ 53	54	55
I. Field															
A. Permanent employees 3/															
U.S. employees															
F.O.A.		8	8				4	8	8	211			264	135	185
Other agencies		36	37				9	36	37					672	779
Locals (Paid from $ funds)							13	57	37	(9)			(9)	(84)	(58)
B. Temporary and part time															
U.S. employees															
F.O.A.															
Other agencies															
Locals (paid from $ funds)															
C. Contract employees															
U.S. citizens															
Other															
II. Washington															
A. Employees	x	x	x				x	x	x						
F.O.A.	x	x	x				x	x	x						
Other agencies	x	x	x				x	x	x						
B. Contracts	x	x	x				x	x	x						
Total													264	807	964

[redacted]

COUNTRY SAUDI ARABIA

B. By Quarters 4/

Table XVI cont'd

(positions filled, end of quarter)

TYPE	1953 1st	1953 2nd	1953 3rd	1953 4th	1954 1st	1954 2nd	1954 3rd	1954 4th
I. Field								
A. Permanent U.S. employees								
F.O.A.	5	8	8	8				
Other agencies	9	18	27	36				

1/ Salary and allowances only.
2/ Agrees with total obligations shown under "Program personnel" in Table VII. Local personnel are not included in the totals because they have been included in local costs on Table VII. This column exceeds "Personal Services" by including costs of international travel, transportation of effects and related costs.
3/ Persons hired for terms of one year or over.
4/ Positions referred to are same as in I - A.

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COUNTRY SAUDI ARABIA

TABLE XVII

A - FUNDS FOR TRAINING AWARDS
(Thousands of Dollars)

	FY 1952	FY 1953	FY 1954	FY 1955
Obligations (net)		57 *	115	124
Expenditures		2		
Unliquidated Obligations		55		

B - NUMBER OF GRANTEES

	AS OF 30 JUNE			
	1952	1953	1954	1955
1952 Program (total)				
enroute or in training				
training completed				
cancelled				
1953 Program (total)	x	14		
enroute or in training	x	14		
training completed	x	0	14	
cancelled	x	0		
1954 Program (total)	x	x	29	
enroute or in training	x	x	29	
training completed	x	x	0	29
cancelled	x	x	0	
1955 Program (total)	x	x	x	31
enroute or in training	x	x	x	31
training completed	x	x	x	
cancelled	x	x	x	

* Probably more accurate than program figure of 72 on Table VII.

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TABLE VIII

APPROPRIATION FY 1955

COUNTRY SYRIA

ESTIMATED EXPENDITURES BY ACTIVITY
(Thousands of Dollars)

	TOTAL	Agri. 1	H & S 2	Edu. 3	Trans. 4	Ind. 5	P.A. 6	Gen. and Com. Dev. 7
Status as of 6-30-53								
No FY 1952 or FY 1953 Funds								
FY 1954								
Funds Available but not Programmed								
FY 1955								
New FY 1955 Funds	2885	2181	473	117	-	-	114	-
Expenditures During FY 1955	1500	1096	273	67	-	-	64	
Total Unliquidated Obl.	1385	1085	200	50	-	-	50	

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Appropriation FY 1955
Country SYRIA

TABLE VIIIA

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ESTIMATED EXPENDITURES BY COST FACTORS

AGREEMENT FUNDS

SUPPLIES AND EQUIPMENT AND FIELD COSTS
(Thousands of dollars)

	Total	Funds	Technicians	Trainees
Status as of 6-30-53	NO FY 1952 or FY 1953 FUNDS			
FY 1954	FUNDS AVAILABLE BUT NOT PROGRAMMED			
FY 1955				
New FY 1955 Funds	2885	2076	462	347
Expenditures during FY 1955	1500	1000	400	100
Total unliquidated Obligations (6-30-55)	1385	1076	62	247

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TABLE VI

OBLIGATIONS BY ACTIVITY AND SUB-ACTIVITY
(Thousands of Dollars)

APPROPRIATION FY 1955
COUNTRY REGIONAL PROJECTS

	TOTAL FY 1953 Obligations
AGRICULTURE & NATURAL RESOURCES	
American Univ. 2-Yr.Training Program for Agriculture	158
American Univ. 2-Yr.Training Program for Natural Resources	161
Locust Control	273
TOTAL	592
HEALTH & SANITATION	
Health and Vital Statistics	10
Professional Nurses Training	10
American Univ. Medical School Expansion	437
American Univ. 2-Yr. Training Program for Health	144
TOTAL	601
EDUCATION	
American Univ. 2-Yr. Training Program for Education	60
INDUSTRY AND TRADE	
Tourist Trade Development	13
PUBLIC ADMINISTRATION	
American Univ. 2-Yr. Training Program for Public Administration	60

APPROPRIATION FY 1955
COUNTRY REGIONAL PROJECTS

	TOTAL FY 1953 Obligations
GENERAL PROJECTS	
Group Training Project (New Mexico)	30
Near East Training School	25
Audio-Visual Aids	75
Regional Shipping Advisor	15
Regional Purchasing Fund & Misc. Activities *	237
Regional Attorney	8
	394
GRAND TOTAL	1720

* Costs will be transferred to post at later date.

NOTE: Sub-obligated or reserved program agreement funds are not shown because no regional funds are obligated by program agreements. All funds are obligated by transactional document such as purchase order or contract -- the 2 AUB contracts above amounting to $583 thousand and $437 thousand, respectively.

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APPROPRIATION FY 1955

COUNTRY REGIONAL

TABLE VIII

ESTIMATED EXPENDITURES BY ACTIVITY

(Thousands of Dollars)

	TOTAL	Agri. 1	H & S 2	Edu. 3	Trans. 4	Ipd. 5	P.A. 6	Gen. and Com. Dev. 7
Status as of 6-30-53								
FY 1952 Obligations	1758	350	500	300	—	—	—	608
Exp. of '52 Obligations	1369	250	400	200	—	—	—	519
Unliquidated '52 Obligations	389	100	100	100	—	—	—	89
FY 1953 Obligations	1720	592	601	60	—	13	60	394*
Exp. of '53 Obligations	246	33	20	—	—	13	—	180
Unliquidated '53 Obligations	1474	559	581	60	—	—	60	214
Total Unliquidated Obligations	1863	659	681	160	—	—	60	303
FY 1954								
Unliquidated previous Obligations	1863	659	681	160	—	—	60	303
New FY 1954 Funds	955	634	25	45	—	88	—	163
Total Available	2818	1293	706	205	—	88	60	466
Expenditures During FY 1954	2400	1100	650	200	—	50	60	340
Total Unliquidated Obligations (6-30-54)	418	193	56	5	—	38	—	126
FY 1955								
Unliquidated previous Obligations	418	193	56	5	—	38	—	126
New FY 1955 Funds	1420	550	—	185	—	535	—	150
Total Available	1838	743	56	190	—	573	—	276
Expenditures during FY 1955	1500	593	56	160	—	473	—	218
Total Unliquidated Obligations (6-30-55)	338	150	—	30	—	100	—	58

* Includes an estimated $230,000 for regional purchasing fund and miscellaneous activities which will be transferred to the post at a later date.

October 27, 1953

Appropriation FY 1955
Country REGIONAL

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TABLE VIIIA

ESTIMATED EXPENDITURES BY COST FACTORS

AGREEMENT FUNDS

SUPPLIES AND EQUIPMENT AND FIELD COSTS
(Thousands of Dollars)

	Total	Funds	Technicians	Trainees
Status as of 6-30-53				
Unliquidated '52 Obligations	389	389	—	—
FY 1953 Obligations	1720	1505	170	45
Expend. of '53 Obligations	246	71	160	15
Unliquidated '53 Obligations	1474	1434	10	30
Total Unliquidated Obligations	1863	1823	10	30
FY 1954				
Unliquidated Previous Obligations	1863	1823	10	30
New FY 1954 Funds	955	524	386	45
Total Available	2818	2347	396	75
Expenditures During FY 1954	2400	1975	375	50
Total Unliquidated Obligations (6-30-54)	418	372	21	25
FY 1955				
Unliquidated Previous Obligations	418	372	21	25
New FY 1955 Funds	1420	940	480	—
Total Available	1838	1312	501	25
Expenditures during FY 1955	1500	1010	475	15
Total Unliquidated Obligations (6-30-55)	338	302	26	10

October 28, 1953

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[redacted] PROGRAM PERSONNEL

TABLE XVI

A. By Fiscal Years

Type	Positions Authorized 53	54	55	Man Years 53	54	55	Positions Filled (June 30) 53	54	55	Obligations Personal Services 53	54	55	Total Cost 53	54	55
I. Field															
A. Permanent employees															
U.S. employees															
F.O.A.															
Other agencies	21	34	32										159	386	480
Locals (paid from $ funds)															
B. Temporary and part time															
U.S. employees															
F.O.A.															
Other agencies															
Locals (paid from $ funds)															
C. Contract employees															
U.S. citizens															
Other															
II. Washington	x														
A. Employees	x	x	x				x	x	x						
F.O.A.	x	x	x				x	x	x						
Other agencies	x	x	x				x	x	x						
B. Contracts	x	x	x				x	x	x						
Total													159	386	480

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[redacted] CONFIDENTIAL

B. By Quarters

(positions filled, end of quarter)

Type	FY 1953				FY 1954			
	1st	2nd	3rd	4th	1st	2nd	3rd	4th
I. Field								
A. Permanent U.S. employees								
F.O.A.								
Other agencies								

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TRAINEES AT AUB

COUNTRY	FY 53 1/	FY 54 3/4/	FY 55 3/7/
Egypt	7	7	10
Ethiopia-Eritrea	12	7	7
Iran	38 1/	53	55
Iraq	19	3	15
Jordan	35	41	40
Lebanon	69	48	50
Liberia	10	1	3
Libya	10	14	15
Saudi Arabia	0	0	5
Other	194 2/	60 5/	60 5/
Total	394	234 6/	260 8/

1/ Total figure for FY 52-53, total cost from regional (not training) funds except Iran students.
2/ UNRWA-54, Cyprus - 4, Aden - 2, Syria - 29, Afghanistan - 3. Summer Education Institute for Near East teachers - 100, Stateless - 2.
3/ Cost divided between regional (not training) funds and country training funds. Regional funds obligated by contract in FY 53 for a 2 year program.
4/ Numbers accepted by AUB as of Oct. 19, 1953.
5/ Summer institutes in education and public administration, proposed number for Near East countries, no country breakdown available.
6/ Total figure may increase by June 1954 through UNRWA and additional trainees from Near East countries.
7/ Proposed figures by FOA/W, not yet approved by missions.
8/ Total figure may increase through UNRWA and additional Near East trainees.

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[redacted]

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OBLIGATIONS BY ACTIVITY AND SUB-ACTIVITY
(Thousands of Dollars)

APPROPRIATION FY 1955
COUNTRY LIBYA

TABLE VI

FIELD OF ACTIVITY	Program Agreement Funds Deposited to LATAS in Barclay's Bank in Libya	
	FY 1952	FY 1953
Agriculture & Natural Resources	445	25
Health and Sanitation	71	---
Education	564	175
Transportation & Communications	---	---
Industry and Mining	---	---
Public Administration	---	---
General & Community Development	---	---
Program Direction	---	---
TOTAL	1080 1/	200

1/ Field reports that all funds deposited are expended except for $5 thousand of education funds.

APPROPRIATION FY 1955

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TABLE VIII

COUNTRY LIBYA

ESTIMATED EXPENDITURES BY ACTIVITY
(Thousands of Dollars)

	TOTAL	Agri. 1	H & S 2	Edu. 3	Trans. 4	Ind. 5	P. A. 6	Gen. and Com. Dev. 7
Status as of 8-31-53								
FY 1952 Obligations	1421	617	116	688	-	-	-	-
Exp. of '52 Obligations	1383	600	100	683	-	-	-	-
Unliquidated '52 Obligations	38	17	16	5	-	-	-	-
FY 1953 Obligations	1029	505	160	364	-	-	-	-
Exp. of '53 Obligations	200	25	-	175	-	-	-	-
Unliquidated '53 Obligations	829	480	160	189	-	-	-	-
Total Unliquidated Obligations	867	497	176	194	-	-	-	-
FY 1954								
Unliquidated previous Oblig.	867	497	176	194	-	-	-	-
New FY 1954 Funds	1500	670	255	565	-	10	-	-
Total Available	2367	1167	431	759	-	10	-	-
Expenditures during FY 1954	1800	900	331	559	-	10	-	-
Total Unliquidated Obligations (6-30-54)	567	267	100	200	-	-	-	-
FY 1955								
Unliquidated previous Oblig.	567	267	100	200	-	-	-	-
New FY 1955 Funds	1500	670	255	565	-	10	-	-
Total Available	2067	937	355	765	-	10	-	-
Expenditures during FY 1955	1600	770	255	565	-	10	-	-
Total Unliquidated Oblig. (6-30-55)	467	167	100	200	-	-	-	-

October 26, 1953

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Appropriation FY 1955
Country LIBYA

TABLE VIII A

ESTIMATED EXPENDITURES BY COST FACTORS (Thousands of Dollars)

Status as of August 31, 1953	Total	Agreement funds for Supplies and Equipment and Field Costs	Technicians	Trainees
FY 1953 Obligations	1067 1/	567	420	80
Expend. of '53 Oblig.	200	-	200	-
Unliquidated '53 Oblig.	867	567	220	80
FY 1954				
Unliquidated Previous Oblig.	867	567	220	80
New FY 1954 Funds	1500	862	564	74
Total Available	2367	1429	784	154
Expend. during FY 1954	1800	1000	700	100
Total Unliquidated Oblig. (6-30-54)	567	429	84	54
FY 1955				
Unliquidated Previous Oblig.	567	429	84	54
New FY 1955 Funds	1500	885	551	64
Total Available	2067	1314	635	118
Expend. during FY 1955	1600	950	575	75
Total Unliquidated Oblig. (6-30-55)	467	364	60	43

1/ Includes 38 Thousand unliquidated FY 1952 Funds

October 27, 1953

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COUNTRY: LIBYA

TABLE X

STATUS OF JOINT FUNDS
(thousand of U.S. Dollar Equivalents)

Fund Title LIBYS	1953	1954	1955
Contributions			
Unobligated Bal. Carried Forward	1,211	75	0
U.S. Deposits	19	900	800
Host Government and other 1/	0	0	0
Total Available	1,230	975	800
Obligations	1,155	975	800
Unobligated Balance	75	0	0
Expenditure	935	720	600

1/ The Libyan Government makes its contributions in kind, rather than in cash.

10/24/53

[redacted]

COUNTRY LIBYA
APPROPRIATION FY 1955

TABLE XII

U.S. AND LIBYAN RESOURCES DEVOTED TO AID PROGRAM
(Thousands of U.S. Dollar Equivalents)

ACTIVITY	Total U.S. Obligations	Actual Counterpart Withdrawals	Direct Country Contributions			Totals
			Joint Fund	Other Cash 1/	In Kind	
1. Agriculture & Natural Resources						
1953	505	-	-	-	55	55
1954	670	-	-	-	276	276
1955	670	-	-	93	224	317
2. Health and Sanitation						
1953	160	-	-	-	2	2
1954	255	-	-	22	22	44
1955	255	-	-	26	26	52
3. Education						
1953	364	-	-	141	58	199
1954	565	-	-	286	197	483
1955	565	-	-	236	146	382
4. Industry and Mining						
1953	-	-				
1954	10	-				
1955	10	-				
TOTAL						
1953	1029	-		141	115	256
1954	1500	-		308	495	803
1955	1500	-		355	396	751

1/ Funds contributed by the Host Government for support of the program, e.g. appropriations, receipts from State Governments and other sources.

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COUNTRY LIBYA

TABLE XVI

PROGRAM PERSONNEL

A. By Fiscal Years

Type	Positions Authorized			Man Years			Positions Filled (June 30)			Obligations					
										Personal Services 1/			Total Cost 2/		
	53	54	55	53	54	55	53	54	55	53	54	55	53	54	55
I. Field															
A. Permanent employees 5/															
U.S. employees															
F.O.A.															
Other agencies	47	54	53	29	44	53	40	53	53	383	430	452	420	564	551
*Locals	94	177	189	69	177	189	95	177	189	144	324	339	(174)	(368)	(404)
B. Temporary and part time															
U.S. employees															
F.O.A.															
Other agencies															
Locals (paid from $ funds)															
C. Contract employees															
U.S. citizens															
Other 3/															
II. Washington															
A. Employees	x	x	x				x	x	x						
F.O.A.	x	x	x				x	x	x						
Other Agencies	x	x	x				x	x	x						
B. Contracts	x	x	x				x	x	x						
Total													420	564	551

* (All Program Locals Paid from Libyan Pound Funds)

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COUNTRY LIBYA

TABLE XVI cont'd.

B. By Quarters 4/

(positions filled, end of quarter)

Type	1954 1st	1954 2nd	1954 3rd	1954 4th	1955 1st	1955 2nd	1955 3rd	1955 4th
I. Field								
A. Permanent U.S. employees								
F.O.A.								
Other Agencies	39	46	53	53	53	53	53	53

(Includes Small Industry)

1/ Salary and allowances only.
2/ Should agree with total obligations shown under "Program personnel" in Table VII. Exceeds "Personal Services" by including costs of international travel, transportation of effects and related costs.
3/ Technicians other than U.S. citizens, may be shown by footnote. (applies primarily to TCA).
4/ Positions referred to are same as in I - A.
5/ Persons hired for terms of one year or over.

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COUNTRY LIBYA

TABLE XVII

A - FUNDS FOR TRAINIGN AWARDS
(Thousands of Dollars)

	FY 1952	FY 1953	FY 1954	FY 1955
Obligations (net)		80	74	64
Expenditures		16	73	74
Unliquidated Obligations		0	1	0

B - NUMBER OF GRANTEES

	AS OF 30 JUNE IN UNITED STATES				IN THIRD COUNTRIES		
	1952	1953	1954	1955	1953	1954	1955
1952 Program (total)	0						
authorized							
in training							
training completed							
not yet arrived							
cancelled							
1953 Program (total)	x						
authorized		1					
in training	x	1	1	*	10 (AUB)		
training completed	x	0	0	*			
not yet arrived	x	0	0	*			
cancelled	x	0					
1954 Program (total)	x	x					
authorized			3			35	0
in training	x	x	1			19	0
training completed	x	x	2			16	0
not yet arrived	x	x	0				
cancelled	x	x	0			0	0
1955 Program (total)	x	x	x	3			30
authorized				3			30
in training	x	x	x	3			9
training completed	x	x	x	0			21
not yet arrived	x	x	x	0			
cancelled	x	x	x	0			0

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APPROPRIATION FY 1955
COUNTRY ETHIOPIA

OBLIGATIONS BY ACTIVITY & SUB-ACTIVITY
AS OF AUGUST 31, 1953
(In thousands of dollars)

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TABLE VI

FIELD OF ACTIVITY	Total Obligations	PROGRAM AGREEMENT-Commingled Funds*									Total Expenditure
		Total Obligation by Program Agreement	Deposited by U.S.	Deposited by Ethiopia	Total Commingled Deposits	Total Expenditures	UNDISBURSED Commingled Deposits	Additional Funds due to be deposited by GOE	Funds Reserved for Deposit by U.S.	Total Available including funds due.	
FY 1952											
Agriculture & Natural Resources	988	700 3/	700	268	968	227	741	247	--	988	985
Health and Sanitation	3	--	--	--	--	--	--	--	--	--	3
Education	100	100 4/	100	100	200	165	35	--	--	35	100
Transportation & Communications	--	--	--	--	--	--	--	--	--	--	--
Industry and Mining	--	--	--	--	--	--	--	--	--	--	--
Public Administration	--	--	--	--	--	--	--	--	--	--	--
General & Community Development	--	--	--	--	--	--	--	--	--	--	--
Program Direction	108	--	--	--	--	--	--	--	--	--	102
TOTAL	1199	800	800	368	1168	392	776	247	--	1023	1190
FY 1953											
Agriculture & Natural Resources	810	325 5/	--	--	--	--	--	325	325	650	439
Health and Sanitation	105	60	50	--	50	--	50	50	10	110	68
Education	130	100	25	40	65	--	65	210	75	350	43
Transportation & Communications	--	--	--	--	--	--	--	--	--	--	--
Industry and Mining	64	50	50	58	131 2/	98	33	--	--	33	51
Public Administration	56	--	--	--	--	--	--	--	--	--	31
General & Community Development	103	50 1/	50	50	100	--	100	--	--	100	86
Program Direction	164	--	--	--	--	--	--	--	--	--	146
TOTAL	1432	585	175	148	346	98	248	585	410	1243	864

* Total Funds can be converted into U.S. $ or Ethiopian $ at any time.

1/ For Eritrea; $75 Agriculture; 1.8 Health; 40.7 Education.

2/ Includes $23 receipts from Sale of handicraft materials.

3/ 400-AG. College; 225 - Ag. Sec. Schools; 75-Water resources survey;

4/ Tech. & Scientific educa.

5/ 422 - Ag. College; 101-Ag. Sec. Schools; 78-Animal disease control; 50-AG. improvement Center.

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APPROPRIATION FY 1955

TABLE VIII

COUNTRY ETHIOPIA

ESTIMATED EXPENDITURES BY ACTIVITY
(Thousands of Dollars)

	TOTAL	Agri. 1	H & S 2	Edu. 3	Trans. 4	Ind. 5	P.A. 6	Gen. and Com.Dev. 7
Status as of 8-31-53								
FY 1952 Obligations	1091	988	3	100				
Exp. of '52 Obligations	1088	985	3	100				
Unliquidated '52 Obligations	3	3	-	-				
FY 1953 Obligations	1268	810	105	130	-	64	56	103
Exp. of '53 Obligations	718	439	68	43	-	51	31	86
Unliquidated '53 Obligations	550	371	37	87	-	13	25	17
Total Unliquidated Obligations	553	374	37	87	-	13	25	17
FY 1954								
Unliquidated previous Oblig.	553	374	37	87	-	13	25	17
New FY 1954 Funds	1597	837	206	194	-	260	100	-
Total Available	2150	1211	243	281	-	273	125	17
Expenditures during FY 1954	2000	1175	200	250		250	110	15
Total Unliquidated Obligations (6-30-54)	150	36	43	31		23	15	2
FY 1955								
Unliquidated previous Oblig.	150	36	43	31		23	15	2
New FY 1955 Funds	2117	1177	233	237		184	120	166
Total Available	2267	1213	276	268		207	135	168
Expenditures during FY 1955	2200	1200	260	250		200	130	160
Total Unliquidated Oblig. (6-30-55)	67	13	16	18		7	5	8

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TABLE VIII A

Appropriation FY 1955
Country Ethiopia

ESTIMATED EXPENDITURES BY COST FACTORS

(Thousands of Dollars)

	TOTAL	Agreement funds for Supplies and Equipment & Field Costs	Amount Technicians	Amount Trainees
Status as of August 31, 1953				
FY 1953 Obligations	1271 1/	588	678	5
Expend. of '53 Oblig.	718	178	539	1
Unliquidated '53 Oblig.	553	410	139	4
FY 1954				
Unliquidated previous Oblig.	553	410	139	4
New FY 1954 Funds	1597	511	1083	3
Total Available	2150	921	1222	7
Expend. during FY 1954	2000	900	1097	3
(6/30/54) Total Unliquidated Oblig.	150	21	125	4
FY 1955				
Unliquidated Previous Oblig.	150	21	125	4
New FY 1955 Funds	2117	370	1738	9
Total Available	2267	391	1863	13
Expend. during FY 1955	2200	380	1810	10
(6/30/55) Total Unliquidated Oblig.	67	11	53	3

1/ Includes 3 thousand unliquidated FY 1952 OBLIGATIONS

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COUNTRY ETHIOPIA

TABLE X

STATUS OF JOINT FUNDS

(Thousand of U.S. Dollar Equivalents)

Fund Title Agricultural & Mechanical Arts College	1953	1954	1955
Contributions			
Unobligated Bal. Carried Forward	800,000	780,345	
U.S. Deposits	7,500		
Host Government and Other	7,500		
Total Available	815,000		
Unobligated Balance	780,345		
Expenditure	34,655		
Fund Title Agricultural Secondary School			
Contributions			
Unobligated Bal. Carried Forward	265,000	350,630	
U.S. Deposits	100,000		
Host Government and Other	100,000		
Total Available	465,000		
Obligations			
Unobligated Balance	350,630		
Expenditure	114,370		
Fund Title Technical and Science Education			
Contributions			
Unobligated Bal. Carried Forward	200,000		
U.S. Deposits	40,700		
Host Government and Other	40,700		
Total Available	281,400		
Obligations			
Unobligated Balance	134,340 *		
Expenditure	147,060		

* Balance Technical & Science transferred to Joint Fund for Education

ETHIOPIA (Continued)

	1953	1954	1955
Fund Title Joint Fund for Education			
Contributions			
Unobligated Bal. Carried Forward	-	484,340	
U.S. Deposits	100,000		
Host Government and Other	250,000		
Total Available	350,000		
Obligations			
Unobligated Balance	350,000		
Expenditure	-		
Fund Title Water Resources & Well Drilling			
Contributions			
Unobligated Bal. Carried Forward	150,000	298,610	
U.S. Deposits	100,000		
Host Government and Other	100,000		
Total Available	350,000		
Obligations			
Unobligated Balance	298,610		
Expenditure	51,390		
Fund Title Public Health			
Contributions			
Unobligated Bal. Carried Forward	-	103,600	
U.S. Deposits	51,800		
Host Government and Other	51,800		
Total Available	103,600		
Obligation			
Unobligated Balance	103,600		
Expenditure	-		

ETHIOPIA (Continued)

	1953	1954	1955
Fund Title Handicraft School			
Contributions			
Unobligated Bal. Carried Forward	-	56,935	
U.S. Deposits	50,000		
Host Government and Other	84,000		
Total Available	134,000		
Obligations			
Unobligated Balance	56,935		
Expenditure	77,065		
Fund Title Agricultural Cooperation Service			
Contributions			
Unobligated Bal. Carried Forward	-	250,000	
U.S. Deposits	125,000		
Host Government and Other	125,000		
Total Available	250,000		
Obligations			
Unobligated Balance	250,000		
Expenditure	-		
Summary			
Contributions			
Unobligated Bal. Carried Forward	1,415,000	2,324,460	
U.S. Deposits	575,000	370,000	370,000
Host Government and Other	759,000	645,000	697,000
Total Available	2,749,000		
Obligations			
Unobligated Balance	2,324,460		
Expenditure	424,540		

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COUNTRY ETHIOPIA

U.S. AND ETHIOPIAN RESOURCES DEVOTED TO AID PROGRAM
(Thousands of U.S. Dollar Equivalents)

TABLE XII

ACTIVITY:		Total U.S. Obligations	Actual Counterpart Withdrawals 1/	Direct Country Contributions			Totals
				Joint Fund	Other Cash	In Kind	
Agriculture and Natural Resources	1953	810	-	332	-	1210	1542
	1954	837	-	125	-	1210	1335
	1955	1177	-	410	-	1055	1465
Health and Sanitation	1953	105	-	52	-	493	545
	1954	206	-	67	-	493	560
	1955	233	-	73	-	64	137
Education	1953	130	-	241	-	500	741
	1954	194	-	310	-	500	810
	1955	237	-	75	-	100	175
Industry and Mining	1953	64	-	84	-	458	542
	1954	260	-	143	-	458	601
	1955	184	-	139	-	482	621
Public Administration	1953	56	-	0	-	0	-
	1954	100	-	0	-	0	-
	1955	120	-	0	-	0	-
General and Community Development	1953	103	-	50	-	-	50
	1954	-	-	-	-	-	-
	1955	166	-	-	-	-	-
TOTAL	1953	1268	-	759	-	2661	3420
	1954	1597	-	645	-	2661	3306
	1955	2117	-	697	-	1701	2398

1/ There is no counterpart involved in the Ethiopian program.

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COUNTRY ETHIOPIA

TABLE XVI

PROGRAM PERSONNEL

A. By Fiscal Years

Type	Positions Authorized 53	54	55	Man Years 53	54	55	Positions Filled (June 30) 53	54	55	Obligations (Thousands of Dollars) Personal Services 1/ 53	54	55	Total cost 2/ 53	54	55
I. Field															
A. Permanent employees 5/															
U.S. employees															
F.O.A.		17	11				18	17	11						
Other agencies		33	41				6	33	41	251	748		406	976	
Locals (paid from $ funds)		(1)	(1)					(1)	(1)						
B. Temporary and part time															
U.S. employees															
F.O.A.															
Other agencies															
Locals (paid from $ funds)															
C. Contract employees															
U.S. citizens		29	38				26	22	22	419	526		677	762	
Other 3/		(1)	(1)					(1)	(1)						
II. Washington															
A. Employees	x	x	x				x	x	x						
F.O.A.	x	x	x				x	x	x						
Other agencies	x	x	x				x	x	x						
B. Contracts	x	x	x				x	x	x						
Total	65	79	90				50	72	74	670	1274		678	1083	1738

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[redacted]

ETHIOPIA

TABLE XVI cont'd.

B. By Quarters 4/

(positions filled, end of quarter)

Type	1954 1st	1954 2nd	1954 3rd	1954 4th	1955 1st	1955 2nd	1955 3rd	1955 4th
I. Field								
A. Permanent U.S. employees								
F.O.A.	18	18	17	17	17	15	13	11
Other Agencies	6	15	25	33	33	35	38	41
C. Contract employees								
U.S. citizens	26	24	22	22	22	22	22	22

1/ Salary and allowances only.
2/ Should agree with total obligations shown under "Program personnel" in Table VII. Exceeds "Personal Services" by including costs of international travel, transportation of effects and related costs.
3/ Technicians other than U.S. citizens, may be shown by footnote. (applied primarily to TCA).
4/ Positions referred to are same as in I - A.
5/ Persons hired for terms of one year or over.

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TABLE XVII

COUNTRY ETHIOPIA

A - FUNDS FOR TRAINING AWARDS
(Thousands of Dollars)

	FY 1952	FY 1953	FY 1954	FY 1955
Obligations (net)	3	5	3 (estimated)*	9 (estimated)
Expenditures	3	6	9	3
Unliquidated Obligations	0	0	0	0

B - NUMBER OF GRANTEES

	AS OF 30 JUNE			
	1952	1953	1954	1955
1952 Program (total)				
Authorized		0	0	x
in training	0			
training completed	0	0	0	x
not yet arrived	0	0	0	x
cancelled	0	0	0	x
1953 Program (total)	x			
authorized		1		
in training	x	0	0	0
training completed	x	0	0	0
not yet arrived	x	0	0	0
cancelled	x	1	0	0

[redacted]

COUNTRY ETHIOPIA

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TABLE XVII (contd)

B - NUMBER OF GRANTEES

	AS OF 30 JUNE			
	1952	1953	1954	1955
1954 Program (total)	x	x	3	
authorized				
in training	x	x	1	2
training completed	x	x	0	0
not yet arrived			2	0
cancelled	x	x	0	0
1955 Program (total)	x	x	x	
authorized				9
in training	x	x	x	3
training completed	x	x	x	0
not yet arrived	x	x	x	6
cancelled	x	x	x	0

*$6,000 in FY 1954 budgeted in Program Administration figures which are not required at this time. (9/53)
10/28/53

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OBLIGATIONS BY ACTIVITY AND SUB-ACTIVITY
(Thousands of Dollars)

TABLE VI

APPROPRIATION FY 1955
COUNTRY LIBERIA

FY 1953*

FIELD OF ACTIVITY	TOTAL OBLIGATIONS
Agriculture and Natural Resources	273
Health and Sanitation	316
Education	145
Transportation and Communications	508
Industry and Mining	—1/
Public Administration	43
General and Community Development	226
TOTAL	1511

* Estimated. No fiscal data showing actual obligations and expenditures as of June 30, 1953 has been received.

1/ $300,000 aerial survey contract covers minerals exploration as well as other Natural Resources.

NOTE: Reserved or sub-obligated program agreement obligations are not shown above because Liberia had no FY 1952 or FY 1953 obligating program agreements. All obligations were by actual transactional document such as contract or purchase order.

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APPROPRIATION FY 1955

TABLE VIII

COUNTRY LIBERIA

ESTIMATED EXPENDITURES BY ACTIVITY
(Thousands of Dollars)

	TOTAL	Agri. 1	H & S 2	Edu. 3	Trans. 4	Ind. 5	P.A. 6	Gen. and Com. Dev. 7
Status as of 6-30-53								
FY 1952 Obligations	746	341	217	94	85	-	7	2
Exp. of '52 Obligations	586	266	167	79	65	-	7	2
Unliquidated '52 Obligations	160	75	50	15	20	-	-	-
FY 1953 Obligations	1511	273	316	145	508	-	43	226
Exp. of '53 Obligations	692	148	48	53	288	-	29	126
Unliquidated '53 Obligations	819	125	268	92	220	-	14	100
Total Unliquidated Obligations	979	200	318	107	240	-	14	100
FY 1954								
Unliquidated previous Oblig.	979	200	318	107	240	-	14	100
New FY 1954 Funds	1257.5	461	315	140	211.5	7	106	17
Total Available	2236.5	661	633	247	451.5	7	120	117
Expenditures during FY 1954	1900.5	532	558	200	400.5	-	100	110
Total Unliquidated Obligations (6-30-54)	336	129	75	47	51	7	20	7
FY 1955								
Unliquidated previous Oblig.	336	129	75	47	51	7	20	7
New FY 1955 Funds	1270	419	321	164	269	-	55	42
Total Available	1606	548	396	211	320	7	75	49
Expenditures during FY 1955	1206	448	296	161	220	7	40	34
Total Unliquidated Obligations (6.30-55)	400	100	100	50	100	-	35	15

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Appropriation FY 1955
Country LIBERIA

TABLE VIIIA

ESTIMATED EXPENDITURES BY COST FACTORS

(Thousands of Dollars)

	TOTAL	Agreement Funds for Supplies and Equipment and Field Costs	(Amount) Technicians	(Amount) Trainees
Status as of 6-30-53				
Unliquidated '52 Obligations	160	160	—	—
FY 1953 Obligations	1511	874	627	10
Expend. of '53 Obligations	692	375	312	5
Unliquidated '53 Obligations	819	499	315	5
Total Unliquidated Obligations	979	659	315	5
FY 1954				
Unliquidated Previous Obligations	979	659	315	5
New FY 1954 Funds	1257.5	198	1014.5	45
Total Available	2236.5	857	1329.5	50
Expenditures During FY 1954	1900.5	750	1125.5	25
Total Unliquidated Oblig. (6-30-54)	336	107	204	25
FY 1955				
Unliquidated Previous Obligations	336	107	204	25
New FY 1955 Funds	1270	215	944	111
Total Available	1606	322	1148	136
Expenditures during FY 1955	1206	158	948	100
Total Unliquidated Oblig. (6-30-55)	400	164	200	36

October 29, 1953

COUNTRY LIBERIA

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TABLE XVI

PROGRAM PERSONNEL

A. By Fiscal Years

Type	Positions Authorized 53	54	55	Man Years 53	54	55	Positions Filled (June 30) 53	54	55	Obligations (thousands of dollars) Personal Services 1/ 53	54	55	Total cost 2/ 53	54	55
I. Field															
A. Permanent employees 5/															
U.S. employees															
F.O.A. a/	15	3	4	3.5	3		9			81	29	47	143	40	60
Other agencies	69	75	71	62	60		64			524	788	698	624	974	884
Locals (paid from $ funds)	Not available. Locals employed from $ funds are not more than 20 maintenance employees of headquarters. All other locals paid by Liberian Government.														
B. Temporary and part time															
U.S. employees															
F.O.A.															
Other agencies	(2)	(3)		3/4	½		2	3							
Locals (paid from $ funds)	Not available.														
C. Contract employees															
U.S. citizens b/	(12)	(12)	(6)	8	8	5	12	12	5						
Other 3/	None														
II. Washington															
A. Employees	x	x	x				x	x	x						
F.O.A.	x	x	x				x	x	x						
Other agencies	x	x	x				x	x	x						
B. Contracts	x	x	x				x	x	x						
Total	84	78	75							605	817	745	767	1014	944

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COUNTRY LIBERIA

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TABLE XVI cont'd.

B. By Quarters
4/
(positions filled, end of quarter)

Type	1954 1st	1954 2nd	1954 3rd	1954 4th	1955 1st	1955 2nd	1955 3rd	1955 4th
I. Field								
A. Permanent U.S. employees								
F.O.A.	Data not available.							
Other Agencies								

1/ Salary and allowances only.
2/ Should agree with total obligations shown under "Program personnel" in Table VII. Exceeds "Personal Services" by including costs of international travel, transportation of effects and related costs.
3/ Technicians other than U.S. citizens, may be shown by footnote. (applies primarily to TCA).
4/ Positions referred to are same as in I - A.
5/ Persons hired for terms of one year or over.

a/ Eleven program direction personnel are included in 1953. Program direction personnel are not included in 1954 and 1955. These are estimated to be 14 in 1954 and 11 in 1955.
b/ In 1953 contract employees were reported under local costs in table VII. In 1954 and 1955 six employees under an educational contract with the Booker T. Washington Institute are to be paid with 1953 funds. The other six persons in 1954 are employed on anaero service contract financed from 1952 and 1953 funds.

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COUNTRY LIBERIA

TABLE XVII

A - FUNDS FOR TRAINING AWARDS
(Thousands of dollars)

	FY 1953	FY 1954	FY 1955
Obligations	10	45	111

B - NUMBER OF GRANTEES AS OF JUNE 30

	1953	1954	1955
FY 1952 Program	-0-	-0-	-0-
FY 1953 Program			
authorized	5	-	0
in training	2	1	0
training completed	1	2	1
not yet arrived	1	0	0
cancelled	1	0	0
FY 1954 Program			
authorized	0	22	-
in training	0	15	7
training completed	0	0	15
not yet arrived	0	7	0
cancelled	0	0	0
FY 1955 Program			
authorized			51
in training			30
training completed			5
not yet arrived			16
cancelled			0

October 30, 1953