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Nº 295

MUTUAL SECURITY PROGRAM

Volume III



Fiscal Year 1956

BEST AVAILABLE

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 BY Friedkin PPC/PA
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 Regulations

* INFORMATION IN SECTION III,
 UNDER TAB "EUROPE" MISSING

UNCLASSIFIED

MUTUAL SECURITY PROGRAM

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DISTRIBUTION OF FY 1956 PROGRAM

By Region, Country, Title and Function

Volume III - 1

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DISTRIBUTION OF FY 1956 PROGRAM

By Region, Country, Title and Function

(In millions of dollars)

Region and Country	Title I - Military Assistance							Total
	Chapter 2			Title I Total	Title II Development Assistance	Title III Technical Cooperation	Title IV Other Programs	
	Chapter 1 Military Assistance	S.E.Asia, the Western Pacific and Direct Forces Support	Chapter 3 Defense Support					
<u>TOTAL, ALL PROGRAMS</u>	<u>1,400.0</u>	<u>317.2</u>	<u>1,000.3</u>	<u>2,717.5</u>	<u>165.0</u>	<u>172.0</u>	<u>475.5</u>	<u>3,530.0</u>
<u>Military Assistance</u>	<u>1,400.0</u>			<u>1,400.0</u>				<u>1,400.0</u>
<u>Programs Other Than Military Assistance - Total</u>		<u>317.2</u>	<u>1,000.3</u>	<u>1,317.5</u>	<u>165.0</u>	<u>172.0</u>	<u>475.5</u>	<u>2,130.0</u>
<u>EUROPE - TOTAL</u>		<u>4.0</u>	<u>70.0</u>	<u>74.0</u>			<u>21.0</u>	<u>95.0</u>
Spain			28.0	28.0				28.0
Yugoslavia		4.0	36.5	40.5				40.5
Joint Control Area							21.0	21.0
Western Europe Technical Exchange			5.5	5.5				5.5
<u>NEAR EAST AND AFRICA - TOTAL</u>		<u>27.5</u>	<u>102.5</u>	<u>130.0</u>	<u>73.0</u>	<u>41.0</u>	<u>65.0</u>	<u>309.0</u>
Egypt					30.0	4.0		34.0
Ethiopia						3.4		3.4
Greece			15.0	15.0		1.5		16.5
Iran		7.5	37.5	45.0		10.0		55.0
Iraq						2.3		2.3
Israel					25.0	2.0		27.0
Jordan					5.0	2.8		7.8
Lebanon					5.0	2.5		7.5
Liberia						1.8		1.8
Libya					3.0	2.0		5.0
Syria					5.0			5.0
Turkey		20.0	50.0	70.0		2.5		72.5
Overseas Territories						4.0		4.0
Regional						2.2		2.2
Palestine Refugees in the Near East							65.0	65.0
<u>ASIA - TOTAL</u>		<u>285.7</u>	<u>827.8</u>	<u>1,113.5</u>	<u>71.0</u>	<u>66.5</u>	<u>200.0</u>	<u>1,451.0</u>
<u>South Asia Countries - Subtotal</u>		<u>20.0</u>	<u>63.0</u>	<u>83.0</u>	<u>71.0</u>	<u>27.0</u>		<u>181.0</u>
Afghanistan						2.0		2.0
India					70.0	15.0		85.0
Pakistan		20.0	63.0	83.0		9.0		92.0
Nepal					1.0	1.0		2.0
<u>Far East Countries - Subtotal</u>		<u>265.7</u>	<u>764.8</u>	<u>1,030.5</u>		<u>39.5</u>		<u>1,070.0</u>
Cambodia		9.3	45.4	54.7		2.3		57.0
China (Formosa)		37.0	62.0	99.0		3.0		102.0
Indonesia						8.0		8.0
Japan						1.0		1.0
Korea		180.0	272.0	452.0		8.0		460.0
Laos		10.5	46.5	57.0		1.0		58.0
Philippines		2.3	19.7	22.0		6.5		28.5
Thailand		8.2	31.8	40.0		5.5		45.5
Vietnam		18.4	237.4	255.8		4.2		260.0
Undistributed by Country			50.0	50.0				50.0
<u>President's Fund for Asian Economic Development</u>							<u>200.0</u>	<u>200.0</u>

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<u>LATIN AMERICA - TOTAL</u>	21.0	31.5	52.5	
Bolivia	16.0	2.5	18.5	
Brazil		3.5	3.5	
Chile		2.4	2.4	
Colombia		1.5	1.5	
Costa Rica		1.0	1.0	
Cuba		0.6	0.6	
Dominican Republic		0.4	0.4	
Ecuador		1.6	1.6	
El Salvador		1.0	1.0	
Guatemala	5.0	1.8	6.8	
Haiti		1.5	1.5	
Honduras		1.1	1.1	
Mexico		1.8	1.8	
Nicaragua		0.9	0.9	
Panama		1.3	1.3	
Paraguay		1.5	1.5	
Peru		2.7	2.7	
Uruguay		0.4	0.4	
Venezuela		0.2	0.2	
Overseas Territories		1.1	1.1	
Regional		1.2	1.2	
Organization of American States (OAS)		1.5	1.5	
<u>NON-REGIONAL PROGRAMS - TOTAL</u>		33.0	189.5	222.5
U.N. Expanded Program of Technical Assistance		24.0		24.0
Inter-Regional Expenses		9.0		9.0
Refugees and Migrants				
Intergovernmental Committee for European Migration			12.5	12.5
United Nations Refugee Fund			1.4	1.4
Escapes Program			6.0	6.0
United Nations Children's Fund			14.5	14.5
North Atlantic Treaty Organization (Civilian				
Headquarters)			3.7	3.7
Ocean Freight - Voluntary Relief Shipments			2.0	2.0
Ocean Freight - Surplus Agricultural Commodities			13.0	13.0
Control Act Expenses			1.2	1.2
Administrative Expenses (Other Than Military				
Assistance)			35.2	35.2
Special Presidential Fund			100.0	100.0

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BERLIN AID

Special Programs

In addition to the \$16 million for Investment, Reconstruction and Technical Exchange requested in Volume I of this presentation, \$5 million is requested to generate local currency to finance special programs of a classified nature. This government believes that the Western orientation of the people living in the East Zone of Germany is a matter of special concern today. In view of increasing pressures exerted by the Communist authorities in East Germany against Berlin and the Soviet Zone population, the spiritual resistance and sense of identity with the West on the part of those living under Communist domination takes on an increasing importance. This government must continue to show its solidarity with the Germans on the question of reunification by giving appropriate aid as evidence that the West is not unmindful of the hardships in the East.

This government, in cooperation with the Federal Republic, is currently supporting programs for the benefit

of those living under Communist domination. These programs are designed to facilitate travel to West Germany on the part of East Germans who would not otherwise have the opportunity, to help provide urgently needed medical assistance to those visiting in the West, to provide for the participation of East Germans in scientific and educational meetings in the West, and particularly to assist East Zone youth in coming West to join in educational and other activities in conjunction with West German youth organizations. Although these projects are essentially for the benefit of the East Zone population, they take advantage of opportunities for action existing in Berlin and West Germany. It is believed that there is now considerable material and psychological distress in East Germany which requires further attention at this time to demonstrate our concern. While the exact nature of the program will vary as the ways of reaching the people vary, it is contemplated that our assistance will continue to be directed to programs for youth, inter-zonal travellers, and church organizations.

NEAR EAST AND AFRICA
DISTRIBUTION OF FY 1956 PROGRAM

By Function and Country

(In thousands of dollars)

Country	Direct Forces Support	Defense Support	Development Assistance	Technical Cooperation	Other Programs	Total
Egypt			30,000	4,000		34,000
Ethiopia				3,400		3,400
Greece		15,000		1,500		16,500
Iran	7,500	37,500		10,000		55,000
Iraq				2,300		2,300
Israel			25,000	2,000		27,000
Jordan			5,000	2,800		7,800
Lebanon			5,000	2,500		7,500
Liberia				1,800		1,800
Libya			3,000	2,000		5,000
Syria			5,000			5,000
Turkey	20,000	50,000		2,500		72,500
Overseas Territories				4,000		4,000
Regional Projects				2,200		2,200
Palestine Refugees in the Near East					65,000	65,000
Total	27,500	102,500	73,000	41,000	65,000	309,000

NEAR EAST AND AFRICA

Country: EGYPT

INDIVIDUAL COUNTRY DATA

Summary of Program by Function

(In thousands of dollars)

Function	Program		Proposed FY 1956
	FY 1954	FY 1955	
Development Assistance		40,000	30,000
Technical Cooperation	3,347	3,444	4,000
Total Country Program	3,347	43,444	34,000
<u>Of Which Financed by Loans:</u>			
Development Assistance		7,500	
<u>MSP Sales Surplus Agricultural Commodities</u>			
1. Sales to This Country		1,000	8,000
2. Sales Proceeds Programmed in This Country		1,000	8,000

NEAR EAST AND AFRICA

Country: EGYPT

INDIVIDUAL COUNTRY DATA

ALL PROGRAMS, EXCLUDING MILITARY ASSISTANCE

Summary by Major Activity Field

(In thousands of dollars)

Programs by Fiscal Year	Total U.S. Cost	Agriculture and Natural Resources	Industry and Mining	Transportation Labor	Health and Sanitation	Education	Public Admin.	Community Development Social Welfare and Housing	Import of Saleable Commodities	All Other
<u>Development Assistance</u>										
1954										
1955	40,000	1,440		26,997	7,488				4,075	
1956	30,000	3,100	5,000	8,060					13,840	
<u>Technical Cooperation</u>										
1954	3,347	1,328	473	13	599	831	17	86		
1955	3,444	935	122	552	428	342	393	301		371
1956	4,000	793	313	727	303	488	585	516		275
<u>Total All Programs</u>										
1954	3,347	1,328	473	13	599	831	17	86		
1955	43,444	2,375	122	27,549	7,916	342	393	301	4,075	371
1956	34,000	3,893	5,313	8,787	303	488	585	516	13,840	275

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NEAR EAST AND AFRICA

Country: EGYPT

INDIVIDUAL COUNTRY DATA

ALL PROGRAMS, EXCLUDING MILITARY ASSISTANCE

Summary by Major Cost Components

(In thousands of dollars)

Programs by Fiscal Year	Total	Supplies and Equipment	U.S. Government Technicians		Contract Services		Participants		Other Costs
			No. of Persons	Cost	No. of Persons	Cost	No. of Persons	Cost	
<u>Development Assistance</u>									
1954									
1955	40,000	40,000							
1956	30,000	30,000							
<u>Technical Cooperation</u>									
1954	3,347	1,993	45	637	3	395	48	106	216
1955	3,444	562	79	1,073	27	993	145	449	367
1956	4,000	520	95	1,500	49	1,251	143	488	241
<u>Total All Programs</u>									
1954	3,347	1,993	45	637	3	395	48	106	216
1955	43,444	40,562	79	1,073	27	993	145	449	367
1956	34,000	30,520	95	1,500	49	1,251	143	488	241

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NEAR EAST AND AFRICA

Country: EGYPT

INDIVIDUAL COUNTRY DATA

(EXCLUDING MILITARY ASSISTANCE AND TECHNICAL COOPERATION)

Summary of Commodity Imports and Services

(In thousands of dollars)

Illustrative Composition of Country Program	Actual FY 1954	FY 1955			FY 1956		
		Development Assistance		Total	Development Assistance		Total
		For Project Utilization	For Consumption and Generating Local Currency			For Project Utilization	
<u>Commodities</u>							
<u>Food and Agricultural Imports</u>							
Bread Grains			1,000	1,000		8,000	8,000
Total Food & Agric. Imports			1,000	1,000		8,000	8,000
<u>Industrial Imports</u>							
Raw and Semi-Finished Products			1,575	1,575		1,500	1,500
Machinery and Vehicles		35,925	1,500	37,425	16,160	4,340	20,500
Total Industrial Imports		35,925	3,075	39,000	16,160	5,840	22,000
Total Commodity Program		35,925	4,075	40,000	16,160	13,840	30,000
<u>Transfer of Cash</u>							
<u>Services</u>							
Total Country Program		35,925	4,075	40,000	16,160	13,840	30,000

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NEAR EAST AND AFRICA

Country: ISRAEL

INDIVIDUAL COUNTRY DATA

Summary of Program by Function

(In thousands of dollars)

Function	Program		
	FY 1954	FY 1955	Proposed FY 1956
Development Assistance	52,443	40,000	25,000
Technical Cooperation	1,520	1,376	2,000
Total Country Program	<u>53,963</u>	<u>41,376</u>	<u>27,000</u>
<u>Of Which Financed by Loans:</u>			
Development Assistance		<u>20,000</u>	
<u>MSP Sales Surplus Agricultural Commodities</u>			
1. Sales to This Country	1,200	18,040	15,000
2. Sales Proceeds Programmed in This Country	<u>1,200</u>	<u>18,040</u>	<u>15,000</u>

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NEAR EAST AND AFRICA

Country: ISRAEL

INDIVIDUAL COUNTRY DATA

ALL PROGRAMS, EXCLUDING MILITARY ASSISTANCE

Summary by Major Activity Field

(In thousands of dollars)

Programs by Fiscal Year	Total U. S. Cost	Agriculture and Natural Resources	Industry and Mining	Transportation	Labor	Health and Sanita- tion	Educa- tion	Public Admin.	Community Development Social Welfare and Housing	Import of Saleable Commodities	All Other
<u>Development Assistance</u>											
1954	52,443	9,443	1,300	1,700		510				39,490	
1955	40,000	7,025	2,650	2,600		500				27,225	
1956	25,000	3,500	2,000	1,500						18,000	
<u>Technical Cooperation</u>											
1954	1,520	824	118	59	16	181	139	27	22		134
1955	1,376	291	411	84	13	131	86	69	25		266
1956	2,000	475	580	98	17	164	112	142	50		362
<u>Total All Programs</u>											
1954	53,963	10,267	1,418	1,759	16	691	139	27	22	39,490	134
1955	41,376	7,316	3,061	2,684	13	631	86	69	25	27,225	266
1956	27,000	3,975	2,580	1,598	17	164	112	142	50	18,000	362

NEAR EAST AND AFRICA

Country: ISRAEL

INDIVIDUAL COUNTRY DATA

ALL PROGRAMS, EXCLUDING MILITARY ASSISTANCE

Summary by Major Cost Components

(In thousands of dollars)

Programs by Fiscal Year	Total	Supplies and Equipment	U.S.Govt. Technicians		Contract Services		Participants		Other Costs	
			No. of Persons	Cost	No. of Persons	Cost	No. of Persons	Cost		
<u>Development Assistance</u>										
1954	52,443	52,443								
1955	40,000	40,000								
1956	25,000	25,000								
<u>Technical Cooperation</u>										
1954	1,520	45	41	408	23	753	68	198	116	
1955	1,376	4	54	654	25	259	70	210	249	
1956	2,000	23	52	800	25	685	70	210	282	
<u>Total All Programs</u>										
1954	53,963	52,488	41	408	23	753	68	198	116	
1955	41,376	40,004	54	654	25	259	70	210	249	
1956	27,000	25,023	52	800	25	685	70	210	282	

NEAR EAST AND AFRICA

Country: ISRAEL

INDIVIDUAL COUNTRY DATA

(EXCLUDING MILITARY ASSISTANCE AND TECHNICAL COOPERATION)

Summary of Commodity Imports and Services

(In thousands of dollars)

Illustrative Composition of Country Program	Actual FY 1954	FY 1955			FY 1956		
		Development Assistance			Development Assistance		
		For Project Utilization	For Consumption and Generating Local Currency	Total	For Project Utilization	For Consumption and Generating Local Currency	Total
<u>Commodities</u>							
<u>Food and Agricultural Imports</u>							
Bread Grains	3,600		13,280	13,280	8,000		8,000
Coarse Grains			2,760	2,760	1,000		1,000
Fats and Oils	1,200		2,200	2,200	3,000		3,000
Fertilizer							
Etc.	7,200		2,000	2,000	3,000		3,000
Total Food & Agric. Imports	12,000		20,240	20,240	15,000		15,000
<u>Industrial Imports</u>							
Fuel	12,000		3,660	3,660	2,000		2,000
Raw and Semi-Finished Products	19,375	3,925	3,325	7,250	2,500	1,000	3,500
Machinery and Vehicles	6,400	7,660		7,660	4,500		4,500
Miscellaneous and Unclassified	2,668	1,190		1,190			
Total Industrial Imports	40,443	12,775	6,985	19,760	7,000	3,000	10,000
Total Commodity Program	52,443	12,775	27,225	40,000	7,000	18,000	25,000
<u>Services</u>							
Total Country Program	52,443	12,775	27,225	40,000	7,000	18,000	25,000

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NEAR EAST AND AFRICA

Country: JORDAN

INDIVIDUAL COUNTRY DATA

Summary of Program by Function

(In thousands of dollars)

Function	Program		
	FY 1954	FY 1955	Proposed FY 1956
Development Assistance	8,172	5,000	5,000
Technical Cooperation	2,445	2,168	2,800
Total Country Program	10,617	7,168	7,800
<u>MSP Sales Surplus Agricultural Commodities</u>			
1. Sales to This Country			1,000
2. Sales Proceeds Programmed in This Country			1,000

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NEAR EAST AND AFRICACountry: JORDANINDIVIDUAL COUNTRY DATAALL PROGRAMS, EXCLUDING MILITARY ASSISTANCE

Summary by Major Activity Field

(In thousands of dollars)

Program by Fiscal Year	Total U. S. Cost	Agriculture and Natural Resources	Industry and Mining	Transportation	Labor	Health and Sanitation	Educational	Public Admin.	Community Development Social Welfare and Housing	Import Saleable Commodities	All Other
<u>Development Assistance</u>											
1954	8,172	2,871		1,155						3,974	172
1955	5,000	405	414	381					200	3,600	
1956	5,000	100		200						4,455	245
<u>Technical Cooperation</u>											
1954	2,445	1,266	169	122		230	236	26	271		125
1955	2,168	832	244	162		314	476		25		115
1956	2,800	900	436			450	391	18	320		285
<u>Total All Programs</u>											
1954	10,617	4,137	169	1,277		230	236	26	271	3,974	297
1955	7,168	1,237	658	543		314	476		225	3,600	115
1956	7,800	1,000	436	200		450	391	18	320	4,455	530

NEAR EAST AND AFRICA

Country: JORDAN

INDIVIDUAL COUNTRY DATA

ALL PROGRAMS, EXCLUDING MILITARY ASSISTANCE

Summary By Major Cost Components

(In thousands of dollars)

Programs by Fiscal Year	Total	Supplies and Equipment	U. S. Government Technicians		Contract Services		Participants		Other Costs
			No. of Persons	Cost	No. of Persons	Cost	No. of Persons	Cost	
<u>Development Assistance</u>									
1954	8,172	6,667			41	1,230			275
1955	5,000	4,180			40	820			
1956	5,000	4,755	10	175			14	70	
<u>Technical Cooperation</u>									
1954	2,445	151	58	786	63	784	31	124	600
1955	2,168	229	70	1,219	6	193	28	77	450
1956	2,800	399	65	1,183	8	132	55	239	847
<u>Total All Programs</u>									
1954	10,617	6,818	58	786	104	2,014	31	124	875
1955	7,168	4,409	70	1,219	46	1,013	28	77	450
1956	7,800	5,154	75	1,358	8	132	69	309	847

INDIVIDUAL COUNTRY DATA(EXCLUDING MILITARY ASSISTANCE AND TECHNICAL COOPERATION)

Summary of Commodity Imports and Services

(In thousands of dollars)

Illustrative Composition of Country Program	Actual FY 1954	FY 1955			FY 1956		
		Development Assistance		Total	Development Assistance		Total
		For Project Utilization	For Consumption and Generating Local Currency			For Project Utilization	
<u>Commodities</u>							
<u>Food & Agricultural Imports</u>							
Bread Grains	310					250	250
Dairy Products	100					50	50
Fats and Oils	200					175	175
Fertilizer						125	125
Etc.	100					400	400
Total Food & Agric. Imports	710					1,000	1,000
<u>Industrial Imports</u>							
Raw & Semi-Finished Products	1,265		2,000	2,000		1,750	1,750
Machinery and Vehicles	4,692	580	1,600	2,180	300	1,705	2,005
Total Industrial Imports	5,957	580	3,600	4,180	300	3,455	3,755
Total Commodity Program	6,667	580	3,600	4,180	300	4,455	4,755
<u>Services</u>							
Total Country Program	8,172	1,400	3,600	5,000	545	4,455	5,000

NEAR EAST AND AFRICA

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Country: LEBANON

INDIVIDUAL COUNTRY DATA

Summary of Program by Function

(In thousands of dollars)

Function	Program		Proposed FY 1956
	FY 1954	FY 1955	
Development Assistance	6,000	5,700*	5,000
Technical Cooperation	2,890	2,258	2,500
Total Country Program	8,890	7,958	7,500

*Tentatively programmed,
principally in the form of a loan

MSP Sales Surplus Agricultural Commodities

- | | |
|--|-------|
| 1. Sales to This Country | 1,000 |
| 2. Sales Proceeds Programmed in This Country | 1,000 |

Country: LEBANONNEAR EAST AND AFRICAINDIVIDUAL COUNTRY DATAALL PROGRAMS, EXCLUDING MILITARY ASSISTANCE

Summary by Major Activity Field

(In thousands of dollars)

Programs by Fiscal Year	Total U. S. Cost	Agriculture and Natural Resources	Industry and Mining	Transportation	Labor	Health and Sanitation	Educational	Public Administration	Community Development Social Welfare and Housing	Import of Saleable Commodities	All Other
<u>Development Assistance</u>											
1954	6,000	2,500		600		2,000				900	
1955	5,700			5,700							
1956	5,000			4,000						1,000	
<u>Technical Cooperation</u>											
1954	2,890	1,436	361		20	258	498	18	299		
1955	2,258	1,130	299		10	250	340		229		
1956	2,500	774	329	40	50	328	621	46	312		
<u>Total All Programs</u>											
1954	8,890	3,936	361	600	20	2,258	498	18	299	900	
1955	7,958	1,130	299	5,700	10	250	340		229		
1956	7,500	774	329	4,040	50	328	621	46	312	1,000	

NEAR EAST AND AFRICA

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INDIVIDUAL COUNTRY DATA

Country: LEBANON

ALL PROGRAMS, EXCLUDING MILITARY ASSISTANCE

Summary by Major Cost Components

(In thousands of dollars)

Programs by Fiscal Year	Total	Supplies & Equipment	U. S. Government Technicians		Contract Services		Participants		Other Costs
			No. of Persons	Cost	No. of Persons	Cost	No. of Persons	Cost	
<u>Development Assistance</u>									
1954	6,000	5,400			4	400			200
1955	5,700	5,700							
1956	5,000	4,800			6	200			
<u>Technical Cooperation</u>									
1954	2,890	561	51	878	11	290	25	150	1,011
1955	2,258	666	49	677	1	16	26	116	783
1956	2,500	637	49	745	11	185	42	174	759
<u>Total All Programs</u>									
1954	8,890	5,961	51	878	15	690	25	150	1,211
1955	7,958	6,366	49	677	1	16	26	116	783
1956	7,500	5,437	49	745	17	385	42	174	759

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NEAR EAST AND AFRICA

Country: LEBANONINDIVIDUAL COUNTRY DATA(EXCLUDING MILITARY ASSISTANCE AND TECHNICAL COOPERATION)

Summary of Commodity Imports and Services

(In thousands of dollars)

Illustrative Composition of Country Program	Actual FY 1954	FY 1955			FY 1956		
		Development Assistance		Total	Development Assistance		Total
		For Project Utilization	For Consumption and Generating Local Currency			For Project Utilization	
<u>Commodities</u>							
<u>Food and Agricultural Imports</u>							
Bread Grains	900				1,000		1,000
Total Food & Agric. Imports	900				1,000		1,000
<u>Industrial Imports</u>							
Miscellaneous and Unclassified	4,500	5,700		5,700	3,800		3,800
Total Industrial Imports	4,500	5,700		5,700	3,800		3,800
Total Commodity Program	5,400	5,700		5,700	3,800		4,800
<u>Services</u>	600				200		200
Total Country Program	6,000	5,700		5,700	4,000	1,000	5,000

NEAR EAST AND AFRICA

Country: LIBYA

INDIVIDUAL COUNTRY DATA

Summary of Program by Function

(In thousands of dollars)

Function	Program		
	FY 1954	FY 1955	Proposed FY 1956
Development Assistance	345	3,430	3,000
Technical Cooperation	1,532	1,636	2,000
Total Country Program	1,877	5,066	5,000

NEAR EAST AND AFRICACountry: LIBYASupplementary General Narrative Statement

The United States has invested about \$75 million in Wheelus Air Force Base near Tripoli and related military facilities. The base is one of the most important in our overseas chain. As the map shows, Libya is within practical flying distances of potential enemy centers and yet relatively safe from enemy capture. In addition, year-round flying weather and vast sea and uninhabited desert areas make Libya exceptionally useful to the Air Force for peacetime training. Finally, Wheelus Field has become one of the busiest transit points in the Air Force's global transportation system.

The usefulness of these physical advantages depends of course on our relationships with the Libyan Government and people. Here again we are favored. The population is only slightly over a million and rather widely distributed. It has been a peaceful population and the attitude towards the American military forces stationed there, about 10,000 including dependents, has been friendly and harmonious.

The Libyan King and Cabinet (who for all practical purposes set Libyan policies) have a full appreciation of the advantages of cooperation with the United States and have granted us a very favorable military base rights agreement, under which we operate with great freedom, even though the United States has not undertaken a mutual defense agreement with Libya.

But the Libyans consider United States economic assistance to Libya in its present poverty as natural a concomitant of US-Libyan friendship as their grant of military facilities to us. Indeed, with Arab world critics of Western bases in Libya, the Libyans must cite such assistance as the justification for granting base rights. Great Britain is paying the equivalent of \$10.5 million annually for its military facilities and in addition has entered into a defensive alliance with Libya. The British subsidy, however, does little more than cover the deficit (some 40 percent) in Libya's ordinary budget. Libya therefore quite frankly looks to the United States for the margin of help

necessary to improve its economy, which is the only way it can hope eventually to overcome its present dependence on foreign aid. In brief, a genuine Libyan need coincides with our reliance on military facilities in Libya.

Recognizing Libya's serious economic deficiencies and the need for a long-range attack on them, the United States has undertaken, subject to the authorization and appropriation of funds by the Congress, to grant economic assistance as follows: \$4 million a year until 1961 and \$1 million a year from 1961 to 1971 from U.S. Air Force funds; \$3 million from FY 1955 Mutual Security funds; and up to 24,000 tons of grain to prevent suffering threatened by the third successive year of drought. The United States has also promised sympathetic consideration of possible future economic needs in the light of Libya's progress and accomplishments made through funds already provided.

This assistance was sharply criticized in the Libyan Parliament as insufficient at the time our base agreement was before it for ratification. Although through the Prime Minister's persuasion the base agreement was approved, there is no doubt that the United States response to Libya's continuing economic needs will have an important bearing on its cooperation in our use of Libyan military facilities. It is particularly important to gain Libya's confidence in the first year of our operations under the ratified base agreement.

Disturbances elsewhere in the Mediterranean and Middle East emphasize the importance to us of a friendly atmosphere in Libya. Essential now to the continued smooth operation of our present facilities, Libyan friendship is also an asset in reserve should we require additional military facilities in the Mediterranean area and more specifically in Libya.

For these reasons, in addition to Libya's genuine economic need, a grant for such assistance from FY 1956 funds is recommended. Such funds would be utilized on basic development projects approved by the joint Libyan-American Reconstruction Commission and geared to Libya's overall development plans.

NEAR EAST AND AFRICA

Country: LIBYA

INDIVIDUAL COUNTRY DATA

ALL PROGRAMS, EXCLUDING MILITARY ASSISTANCE

Summary by Major Activity Field

(In thousands of dollars)

<u>Programs by Fiscal Year</u>	<u>Total U. S. Cost</u>	<u>Agriculture and Natural Resources</u>	<u>Industry and Mining</u>	<u>Transpor- tation</u>	<u>Labor</u>	<u>Health and Sanita- tion</u>	<u>Educa- tion</u>	<u>Public Admin.</u>	<u>Community Development Social Welfare and Housing</u>	<u>Import Saleable Commodities</u>	<u>All Other</u>
<u>Development Assistance</u>											
1954	345										345
1955	3,430	1,750		200		720	330				430
1956	3,000	800		1,250		500	450				
<u>Technical Cooperation</u>											
1954	1,532	680				243	541	6			62
1955	1,636	676	10			270	579	15			86
1956	2,000	850	25			465	635	25			
<u>Total All Programs</u>											
1954	1,877	680				243	541	6			407
1955	5,066	2,426	10	200		990	909	15			516
1956	5,000	1,650	25	1,250		965	1,085	25			

NEAR EAST AND AFRICACountry: LIBYAINDIVIDUAL COUNTRY DATAALL PROGRAMS, EXCLUDING MILITARY ASSISTANCE

Summary by Major Cost Components

(In thousands of dollars)

Programs by Fiscal Year	Total	Supplies & Equipment	U.S. Government Technicians		Contract Services		Participants		Other Costs
			No. of Persons	Cost	No. of Persons	Cost	No. of Persons	Cost	
<u>Development Assistance</u>									
1954	345	345							
1955	3,430	3,430							
1956	3,000	3,000							
<u>Technical Cooperation</u>									
1954	1,532	382	49	440	3	37	38	68	605
1955	1,636	291	53	737	3	25	29	50	533
1956	2,000	465	60	815	5	40	40	85	595
<u>Total All Programs</u>									
1954	1,877	727	49	440	3	37	38	68	605
1955	5,066	3,721	53	737	3	25	29	50	533
1956	5,000	3,465	60	815	5	40	40	85	595

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NEAR EAST AND AFRICA

Country: SYRIA

INDIVIDUAL COUNTRY DATA

Summary of Program by Function

(In thousands of dollars)

Function	Program		
	FY 1954	FY 1955	Proposed FY 1956
Development Assistance			5,000
Total Country Program			5,000

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NEAR EAST AND AFRICA

Country: SYRIA

INDIVIDUAL COUNTRY DATA

Summary by Major Activity Field

(In thousands of dollars)

<u>Programs by Fiscal Year</u>	<u>Total U. S.</u>	<u>Agriculture and Natural Resources</u>
<u>Development Assistance</u>		
1954		
1955		
1956	5,000	5,000
<u>Total Program</u>		
1954		
1955		
1956	5,000	5,000

Summary by Major Cost Components

(In thousands of dollars)

<u>Programs by Fiscal Year</u>	<u>Total U. S.</u>	<u>Supplies and Equipment</u>
<u>Development Assistance</u>		
1954		
1955		
1956	5,000	5,000
<u>Total All Programs</u>		
1954		
1955		
1956	5,000	5,000

ASIA
REGIONAL DISTRIBUTION OF FY 1956 PROGRAM

By Function and Country

(In thousands of dollars)

Country	Military Assistance	Direct Forces Support	Defense Support	Development Assistance	Technical Cooperation	Other Programs	Total
<u>South Asia</u>							
Afghanistan					2,000		2,000
India				70,000	15,000		85,000
Nepal				1,000	1,000		2,000
Pakistan		20,000	63,000		9,000		92,000
Undistributed by country							
Subtotal		20,000	63,000	71,000	27,000		181,000
<u>Far East</u>							
Cambodia		9,300	45,400		2,300		57,000
China (Formosa)		37,000	62,000		3,000		102,000
Indonesia					8,000		8,000
Japan					1,000		1,000
Korea		180,000	272,000		8,000		460,000
Laos		10,500	46,500		1,000		58,000
Philippines		2,300	19,700		6,500		28,500
Thailand		8,200	31,800		5,500		45,500
Viet Nam		18,400	237,400		4,200		260,000
Undistributed by country							
Subtotal			50,000 ^{a/}				50,000 ^{a/}
Subtotal		265,700	764,800		39,500		1,070,000
<u>President's Fund for Asian Economic Development</u>						200,000	200,000
<u>TOTAL PROGRAM</u>		285,700	827,800	71,000	66,500	200,000	1,451,000

^{a/} Potential U.S. contribution to support of French Expeditionary Corps, or for other purposes in one or more of the previously Associated States (Cambodia, Laos, Viet Nam).

ASIA

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ALL PROGRAMS, EXCLUDING MILITARY ASSISTANCE

Summary of Programs by Country

(In thousands of dollars)

Country	Program		
	FY 1954	FY 1955	Proposed FY 1956
<u>South Asia</u>			
Afghanistan	2,510	1,946	2,000
India	86,846	84,428	85,000
Nepal	744	2,447	2,000
Pakistan	22,734	72,120	92,000
Undistributed by Country	130	300	
Subtotal	112,964	161,241 ^{a/}	181,000
<u>Far East</u>			
Burma	(10,094) ^{b/}		
Cambodia	22,375	42,200	57,000
China (Formosa)	108,454	137,648	102,000
Indonesia	3,906	7,000	8,000
Japan	10,000	500	1,000
Korea	469,373 ^{c/}	498,500 ^{c/}	460,000
Laos	35,535	51,900	58,000
Philippines	14,450	29,150	28,500
Thailand	8,734	46,550	45,500
Vietnam	311,535	314,300	260,000
Undistributed by Country	399,475 ^{d/}	70,560 ^{e/}	50,000 ^{f/}
Subtotal	1,373,743	1,198,308 ^{g/}	1,070,000
President's Fund for Asian Economic Development			200,000
TOTAL PROGRAMS	1,486,707	1,359,549	1,451,000

a/ Includes \$10,735,000 programmed in this area from savings in the prior year program for support of forces in Cambodia, Laos, and Vietnam.

b/ Deobligation of U.S. assistance provided prior to FY 1954.

c/ Includes, for comparability purposes, non-Mutual Security funds (Department of Defense appropriations) programmed in Korea as follows: in FY 1954 \$65,926,459 for Civilian Relief (CRIK) program and \$172,033,000 for Direct Forces Support; in FY 1955 \$189,600,000 for Direct Forces Support.

d/ Includes \$400 million U.S. contribution to support of French Expeditionary Corps.

e/ Includes \$65 million programmed for a U.S. contribution to support the French Expeditionary Corps.

f/ Potential U.S. contribution to support of French Expeditionary Corps, or for other purposes in one or more of the previously Associated States (Cambodia, Laos, Vietnam).

g/ Includes \$19,223,000 programmed in this area from savings in the prior year program for the support of forces in Cambodia, Laos, and Vietnam.

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ASIA

CAMBODIA, LAOS, AND VIETNAM

General Narrative Statement

It has been deemed inadvisable to divulge the proposed aid magnitudes for either FY 1955 or FY 1956 for these countries individually. Individual country data, therefore, are presented on a classified basis and regional tables have been expanded to include all pertinent detail.

The only item requiring special mention is the allowance made in FY 1956 for possible further support to the French Expeditionary Corps. Although agreement has not yet been

reached on the rate at which FEC forces will be reduced, the present expectation is that a sizeable contingent will have to remain for some time to come. Accordingly, \$50 million has been included in FY 1956 for a potential U. S. contribution to support of the FEC. Should the FEC be reduced more rapidly than now appears likely or advisable, these funds will probably be necessary to bolster the military effort of one or more of the individual countries in the area.

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Country: CAMBODIA

ASIA

INDIVIDUAL COUNTRY DATA

Summary of Program by Function

(In thousands of dollars)

Function	FY 1950/54	Program FY 1955	Proposed FY 1956
	Military Assistance	a/	a/
	<u>FY 1954</u>		
Direct Forces Support	7,600 ^{b/}	8,200	9,300
Defense Support	14,775 ^{b/}	34,000 ^{c/}	45,400 ^{c/}
Technical Cooperation	d/	d/	2,300
Total Country Program Other Than Military Assistance	<u>22,375</u>	<u>42,200</u>	<u>57,000</u>
<u>MSP Sales Surplus Agricultural Commodities</u>			
Sales to Cambodia			2,000
Sales Proceeds Programmed in Cambodia			<u>2,000</u>

a/ Data included in separate submission on military assistance.

b/ This amount, plus \$10.4 million included in defense support, is estimated share of \$345 million U.S. contribution to support of Associated States Forces, provided through France.

c/ Includes local currency support of armed forces (in millions of dollars) as follows: FY 1955, 20.8; FY 1956, 23.7.

d/ Included in defense support.

ASIA

INDIVIDUAL COUNTRY DATA

Summary by Major Activity Field

(In thousands of dollars)

Programs by Fiscal Year	Total U.S. Cost	Agriculture and Natural Resources	Industry and Mining	Transportation	Health and Sanitation Labor	Educational	Public Admin.	Community Development Social Welfare and Housing	General and Misc.	Import Saleable Commodities	Common Use Items	Other Costs
<u>Direct Forces Support</u>												
1954	7,600										7,600	
1955	8,200										8,200	
1956	9,300										9,300	
<u>Defense Support</u>												
1954	14,775	188		769	259	17	113	88	76	13,265		
1955	34,000	120	5	340	30	190	270	5	205	22,835		10,000 ^{a/}
1956	45,400		610	4,635	415			45	230	29,465		10,000 ^{a/}
<u>Technical Cooperation</u>												
1954												
1955												
1956	2,300	340	300	125	20	195	515	520	175	110		
<u>Total All Programs</u>												
1954	22,375	188		769	259	17	113	88	76	13,265	7,600	
1955	42,200	120	5	340	30	190	270	5	205	22,835	8,200	10,000
1956	57,000	340	910	4,760	20	610	515	520	340	29,465	9,300	10,000

^{a/} Direct dollar grants to Cambodian Government against deposit local currency countervalue to finance internal expenditures for the armed forces.

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ASIA

Country: CAMBODIA

INDIVIDUAL COUNTRY DATA

Summary by Major Cost Components

(In thousands of dollars)

Programs by Fiscal Year	Total U.S. Cost	Supplies and Equipment	U.S. Government Technicians		Contract Services		Participants		Other Costs
			No. of Persons	Cost	No. of Persons	Cost	No. of Persons	Cost	
<u>Direct Forces Support</u>									
1954	7,600	7,600							
1955	8,200	8,200							
1956	9,300	9,300							
<u>Defense Support</u>									
1954	14,775	14,563	12	156	9	30	6	26	
1955	34,000	23,365	13	65	38	555	9	15	10,000
1956	45,400	34,120			30	1,280			10,000
<u>Technical Cooperation</u>									
1954									
1955									
1956	2,300	875	23	330	45	855	48	240	
<u>Total All Programs</u>									
1954	22,375	22,163	12	156	9	30	6	26	
1955	42,200	31,565	13	65	38	555	9	15	10,000
1956	57,000	44,295	23	330	75	2,135	48	240	10,000

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Country: LAOS

ASIA

INDIVIDUAL COUNTRY DATA

Summary of Program by Function

(In thousands of dollars)

Function	FY 1950/54	Program FY 1955	Proposed FY 1956
	Military Assistance	a/	a/
	<u>FY 1954</u>		
Direct Forces Support	7,700 ^{b/}	11,500	10,500
Defense Support	27,835 ^{b/}	40,400 ^{c/}	46,500 ^{c/}
Technical Cooperation	d/	d/	1,000
Total Country Program Other Than Military Assistance	<u>35,535</u>	<u>51,900</u>	<u>58,000</u>

a/ Data included in separate submission on military assistance.

b/ This amount, plus \$25.3 million included in defense support, is estimated share of \$345 million U.S. contribution to support of Associated States Forces, provided through France.

c/ Includes local currency support of armed forces (in millions of dollars) as follows: FY 1955, 34.5; FY 1956, 31.5.

d/ Included in Defense Support.

ASIA

INDIVIDUAL COUNTRY DATA

Summary by Major Activity Field

(In thousands of dollars)

Programs by Fiscal Year	Total U.S. Cost	Agriculture and Natural Resources	Industry and Mining	Transportation	Labor	Health and Sanitation	Education	Public Admin.	Community Development Social Welfare and Housing	General and Misc.	Import of Saleable Commodities	Common Use Items	Other Costs
<u>Direct Forces Support</u>													
1954	7,700											7,700	
1955	11,500											11,500	
1956	10,500											10,500	
<u>Defense Support</u>													
1954	27,835	36		470		68	10	65	52	61	27,073		
1955	40,400	50	55	725			50	100	200	210	19,010		20,000 ^{a/}
1956	46,500	165	440	5,790		40		560	140	490	23,875		15,000 ^{a/}
<u>Technical Cooperation</u>													
1954													
1955													
1956	1,000	130	245	85		65	145	100	150	80			
<u>Total All Programs</u>													
1954	35,535	36		470		68	10	65	52	61	27,073	7,700	
1955	51,900	50	55	725			50	100	200	210	19,010	11,500	20,000
1956	58,000	295	685	5,875		105	145	660	290	570	23,875	10,500	15,000

a/ Direct dollar grants to Lao Government against deposit of local currency countervalue to finance internal expenditures for the armed forces.

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Country: LAOS

ASIA

INDIVIDUAL COUNTRY DATA

Summary by Major Cost Components

(In thousands of dollars)

Programs by Fiscal Year	Total U.S. Cost	Supplies and Equipment	U. S. Government Technicians		Contract Services		Participants		Other Costs
			No. of Persons	Cost	No. of Persons	Cost	No. of Persons	Cost	
<u>Direct Forces Support</u>									
1954	7,700	7,700							
1955	11,500	11,500							
1956	10,500	10,500							
<u>Defense Support</u>									
1954	27,835	27,835							
1955	40,400	20,340	4	10		50			20,000
1956	46,500	29,100			40	2,400			15,000
<u>Technical Cooperation</u>									
1954									
1955									
1956	1,000	350	9	135	16	315	40	200	
<u>Total All Programs</u>									
1954	35,535	35,535							
1955	51,900	31,840	4	10		50			20,000
1956	58,000	39,950	9	135	56	2,715	40	200	15,000

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ASIA

Country: VIETNAM

INDIVIDUAL COUNTRY DATA

Summary of Program by Function

(In thousands of dollars)

Function	Program		
	FY 1950/54	FY 1955	Proposed FY 1956
Military Assistance	a/	a/	a/
	<u>FY 1954</u>		
Direct Forces Support	112,300 ^{b/}	16,500	18,400
Defense Support	199,235 ^{b/}	297,800 ^{c/}	237,400 ^{c/}
Technical Cooperation	d/	d/	4,200
Total Country Program Other Than Military Assistance	<u>311,535</u>	<u>314,300</u>	<u>260,000</u>
<u>MSP Sales Surplus Agricultural Commodities</u>			
Sales to Viet Nam		4,600	8,000
Sales Proceeds Programmed in Viet Nam		54,600	8,000

a/ Data included in separate submission on military assistance.

b/ This amount, plus \$181.7 million included in defense support, is estimated share of \$345 million U.S. contribution to support of Associated States Forces, provided through France.

c/ Includes local currency support of armed forces (in millions of dollars) as follows: FY 1955, 218.3; FY 1956, 136.6.

d/ Included in defense support.

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ASIAINDIVIDUAL COUNTRY DATA

Summary by Major Activity Field

(In thousands of dollars)

Programs by Fiscal Year	Total U. S. Cost	Agricul- ture and Natural Resources	In- dustry and Mining	Trans- por- tation	Labor	Health and Sanita- tion	Educa- tion	Public Adminis- tration	Community Development Social Welfare and Housing ^{a/}	General and Miscel- laneous	Import of Saleable Commod- ities	Common Use Items	Other Costs
<u>Direct Forces Support</u>													
1954	112,300											112,300	
1955	16,500											16,500	
1956	18,400											18,400	
<u>Defense Support</u>													
1954	199,235	703		3,033		1,032	69	452	346	(75)	193,675		
1955	297,800	1,220	620	1,700	10	990	135	1,160	16,495	1,050	174,420		100,000 ^{b/}
1956	237,400	940	1,125	6,065		560			7,220	1,630	169,860		50,000 ^{b/}
<u>Technical Cooperation</u>													
1954													
1955													
1956	4,200	1,020	55		30	240	395	2,100	230	130			
<u>Total All Programs</u>													
1954	311,535	703		3,033		1,032	69	452	346	(75)	193,675	112,300	
1955	314,300	1,220	620	1,700	10	990	135	1,160	16,495	1,050	174,420	16,500	100,000
1956	260,000	1,960	1,180	6,065	30	800	395	2,100	7,450	1,760	169,860	18,400	50,000

a/ Includes Refugee Relief and Resettlement in FYs 1955 and 1956.

b/ Direct dollar grants to Vietnamese Government against deposit of local currency countervalue to finance internal expenditures for the armed forces and refugee relief and resettlement.

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Country: VIETNAM

ASIA

INDIVIDUAL COUNTRY DATA

Summary by Major Cost Components

(In thousands of dollars)

Programs by Fiscal Year	Total U. S. Cost	Supplies and Equipment	U. S. Government Technicians		Contract Services		Participants		Other Costs
			No. of Persons	Cost	No. of Persons	Cost	No. of Persons	Cost	
<u>Direct Forces Support</u>									
1954	112,300	112,300							
1955	16,500	16,500							
1956	18,400	18,400							
<u>Defense Support</u>									
1954	199,235	198,203	60	890	1	18	25	124	
1955	297,800	194,515	78	1,150	68	1,850	84	285	100,000
1956	237,400	183,675	75	1,125	100	2,355	50	245	50,000
<u>Technical Cooperation</u>									
1954									
1955									
1956	4,200	1,870	50	755	60	1,075	110	500	
<u>Total All Programs</u>									
1954	311,535	310,503	60	890	1	18	25	124	
1955	314,300	211,015	78	1,150	68	1,850	84	285	100,000
1956	260,000	203,945	125	1,880	160	3,430	160	745	50,000

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