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PN-AAX-639

DEPARTMENT OF STATE

AGENCY FOR INTERNATIONAL DEVELOPMENT

WASHINGTON

THE ADMINISTRATOR

December 3, 1976

A.I.D. TRANSITION FACT BOOK

This binder contains Part Two of the Agency for International Development's Transition Fact Book.

It includes Section XI on Individual Country Programs and Section XII entitled "Annotated Bibliography of Significant Studies/Documents of Foreign Aid".

BOLIVIA

1. Principal U.S. Interests

U.S. interests in the country are predominantly humanitarian and aimed at improving the condition of the rural dweller. Additional, although less significant, interests are the reduction of cocaine trafficking to the United States and maintenance of continued access to Bolivian natural resources such as tin, tungsten and hydrocarbons.

2. Program Strategy and Content

As the poorest country in South America, Bolivia has traditionally been a major recipient of U.S. assistance. A multi-lateral Consultative Group is expected to be established shortly to coordinate external assistance.

A.I.D. helps the Government of Bolivia pursue a strategy of: 1) increasing agricultural productivity and improving the nutritional level of the subsistence rural dweller; 2) improving the standard of rural health, particularly among the young and, 3) making education more relevant and accessible to rural children and adults.

Current activities aim at providing credit, extension and technology in agriculture to the small farmers of the central valleys and adjacent lowlands; improving rural access roads in these areas,and stimulating the production of basic food grains. A program is underway to test a low-cost,rural health planning and delivery system, and another project will provide potable water and sanitation in these target areas. Curricula reform, decentralization of educational administration, improved rural teacher training and construction of improved school facilities are being undertaken in a variety of A.I.D.-supported educational projects.

3. Basic Data

Per Capita GNP (dollars-1973)	230*
Life Expectancy (years)	45
People Per Doctor	2,340
Literacy Rate (percent)	40
Students as % of 5-19 Age Group (Primary and Secondary)	45

BOLIVIA (cont'd)

Population (millions - mid-1975)	5.4
Annual Growth Rate (percent)	2.5
Population in Urban Areas (Percent - 1975)	37
Labor Force in Agriculture	58

*- Estimate in IBRD 1975 Annual Report.

4. Program Levels

($ millions)

	1975 Actual	1976 Actual	TQ Actual	1977 Est'd
Development Assistance	19.8	22.5	1.8	26.5
AID loans	17.0	21.0	--	21.5
AID grants	2.8	1.5	1.8	5.0
AID other	--	--	--	--
Security Supporting Assistance	--	--	--	--
Sub-Total, AID	19.8	22.5	1.8	26.5
Public Law 480, Title I	--	--	--	--
Public Law 480, Title II	5.0	6.7	1.1	6.1
Total U.S. Economic Assistance	24.8	29.2	2.9	32.6

BRAZIL

1. Program Strategy and Content

In view of Brazil's dramatic economic growth in recent years, the U.S. economic assistance program, begun before World War II, is currently in the last year of a planned phaseout and is scheduled to wind up in mid-1977. The bilateral program peaked in the mid-1960s, at which time it was one of the largest in the world.

The program phasedown has been underway for several years, and the large American staff, which numbered over 400 in the 1960s, has been reduced to nine direct-hire U.S. A.I.D. employees. No new loans have been authorized since 1973 and the PL 480 Title II program ended in June 1975. Less than $400,000 in grant funds in FY 1977 will finance the post-graduate training of the last Brazilian students studying in U.S. universities under A.I.D. auspices.

2. Basic Data

Per Capita GNP (dollars - 1973*).....	720*
Life Expectancy (years).....	61
People Per Doctor	2,050
Literacy Rate (percent).....	66
Students as % of 5 - 19 Age Group ..... (Primary and Secondary)	50
Population (millions - mid-1975).....	107.0
Annual Growth Rate (percent)	2.9
Population in Urban Areas..... (Percent - 1975)	59
Labor Force in Agriculture ..... (Percent)	44

* - Estimate in IBRD 1975 Annual Report.

3. Program Levels - Brazil

	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
	($ millions)			
Development Assistance	3.3	0.9	*	0.4
AID Loans	-	-	-	-
AID Grants	3.3	0.9	*	0.4
Sub-Total, AID	3.3	0.9	*	0.4
Public Law 480 Title II	7.6	-	-	-
Total U.S. Economic Assistance	10.9	0.9	*	0.4

* - Less than $50,000.

CHILE

1. Principal U.S. Interests

(1) Chile's economic recovery and continuing foreign debt repayment.

(2) The orderly development of and access to Chile's mineral resources.

2. Program Strategy and Content

A plan for phasing out the A.I.D. program in Chile is currently being negotiated with the Government. Phase out was orginally planned for FY 1979 but, because of a recent Chilean Government request, A.I.D. is accelerating it to FY 1977.

Chilean economic progress since the overthrow of the Allende government has been slow, but based on sound economic and fiscal principles. Full economic recovery and international liquidity, however, depend upon the price of copper.

The principal objectives of A.I.D. programs in Chile are to increase agricultural production and income of small farmers, and to improve nutrition, especially of the young and poor. Loan pipeline commitments will run into FY 1980 before final disbursements. FY 1977 will be the last year for development loan and grant obligations.

3. Basic Data

Per Capita GNP (dollars - 1973)	760*
Life Expectancy (years)	63
People Per Doctor	1,840
Literacy Rate (percent)	88
Students as % of 5-19 Age Group (Primary and Secondary)	71
Population (millions - mid-1975)	10.6
Annual Growth Rate (percent)	1.7
Population in Urban Areas (Percent - 1975)	83
Labor Force in Agriculture (Percent)	21

* - Estimate in IBRD 1975 Annual Report

4. Program Levels - Chile

($ millions)

	1975 Actual	1976 Actual	TQ Actual	1977 Est'd
Development Assistance	20.9	14.6	0.6	11.8
AID loans	20.0	14.0	--	11.0
AID grants	0.9	0.6	0.6	0.8
AID other	--	--	--	--
Security Supporting Assistance	--	--	--	--
Sub-Total, AID	20.9	14.6	0.6	11.8
Public Law 480, Title I	47.6	49.1	--	15.0
Public Law 480, Title II	4.5	14.7	1.2	13.5*
Total U.S. Economic Assistance	73.0	78.4	1.8	40.3

* - Includes $3.5 million of World Food Program

COLOMBIA

1. Program Strategy and Content

A.I.D.'s program in Colombia is being phased out. Given the basic strength of its economy, the Colombian Government in 1975 proposed that a timetable for phaseout be mutually worked out. According to the mutually-agreed phaseout plan, the final A.I.D. loans, amounting to $18.4 million, were authorized in FY 1976 and the Transition Quarter. The final year for bilateral technical assistance grant obligations will be FY 1977. The Title II food donation program is scheduled to terminate by June 30, 1978. During the phaseout period, high priority will be given to developing a continuing U.S.-Colombian relationship, including a strategy for a possible reimbursable technical assistance program.

In spite of substantial achievements in overall economic development, many Colombians continue to suffer from extreme poverty and high unemployment. Under its National Food and Nutrition Plan, the government is designing a number of large-scale programs to improve the lot of the poor, particularly in rural areas, by expanding agriculture, health, and education services and improving nutrition. Recent A.I.D. loans are helping the Government lay the groundwork for this major effort by financing experimental programs directed at eliminating specific bottlenecks to the effective extension of services to the target population.

2. Basic Data

Per Capita GNP (dollars - 1973).....	440*
Life Expectancy (years)	59
People Per Doctor	2,280
Literacy Rate (percent)	73
Students as % of 5 - 19 Age Group ..... (Primary and Secondary)	37
Population (millions - mid-1975)	25.8
Annual Growth Rate (percent).....	3.2
Population in Urban Areas ..... (Percent - 1975)	62
Labor Force in Agriculture..... (Percent)	45

* - Estimate in IBRD 1975 Annual Report.

3. Program Levels - Colombia

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Development Assistance	14.0	14.0	6.6	1.6
AID Loans	12.2	12.4	6.0	-
AID Grants	1.8	1.6	0.6	1.6
Sub-Total, AID	14.0	14.0	6.6	1.6
Public Law 480 Title II	11.5	12.2	2.1	7.5
Total U.S. Economic Assistance	25.5	26.2	8.7	9.1

COSTA RICA

1. Principal U.S. Interests

Major U.S. interests in Costa Rica include: the economic and social development of the low-income segments of the population; and, continued close relations with a government which has demonstrated support for democratic institutions, human rights, and progressive social values.

2. Program Strategy and Content

Costa Rica's commitment to development has been substantial. Recent government measures have included: the adoption of an ambitious National Development Plan for 1974-78; the establishment of a Nutrition Planning System; and, the enactment of the law for social development and family assistance which commits the Government to a broad program of income supplementation benefitting the 28-42% of the population which lives on less than $150 per capita income (1969 prices).

A.I.D.'s current programs center on agriculture, nutrition and population planning and health. Working with public sector institutions, A.I.D. is assisting in cooperative development, agro-industry development, improved small farm management, crop diversification and basic grains technology. A.I.D. is also supporting family planning programs through training of rural health care paramedics. Because Costa Rica is a middle-income LDC, A.I.D. is exploring possibilities for continuing development cooperation in new areas of assistance (the environment, urban planning) on harder lending terms.

3. Basic Data

Per Capita GNP (dollars - 1973)	710*
Life Expectancy (years)	69
People Per Doctor	1,420
Literacy Rate (percent)	89
Students as % of 5-19 Age Group (Primary and Secondary)	63
Population(millions - mid-1973)	2.0
Annual Growth Rate (percent)	2.3
Population in Urban Areas (Percent - 1975)	40
Labor Force in Agriculture (Percent)	45

* - Estimate in IBRD 1975 Annual Report

4. Program Levels - Costa Rica

	1975 Actual	1976 Actual	TQ Actual	1977 Est'd
Development Assistance	0.7	6.7	0.3	0.8
AID loans	--	6.0	--	--
AID grants	0.7	0.7	0.3	0.8
AID other	--	*	--	--
Security Supporting Assistance	--	--	--	--
Sub-Total, AID	0.7	6.7	0.3	0.8
Public Law 480, Title I	--	--	--	--
Public Law 480, Title II	0.9	0.9	0.1	4.6
Total U.S. Economic Assistance	1.6	7.6	0.4	5.4

* - Under $50,000

DOMINICAN REPUBLIC

1. Principal U.S. Interests

Substantial links in trade, private investment and immigration, as well as geographic proximity, have helped to create a community of interest and concerns between the U.S. and the Dominican Republic. The Dominican Republic has become the largest market for U.S. goods in the Caribbean and Central America.

2. Program Strategy and Content

The Dominican Republic's growth rate has slowed considerably from the 10% experienced during the early 1970s, to 5% in 1975, and to an estimated 3% in 1976. Many serious development problems remain.

-- Agricultural productivity is low;

-- rising import prices have contributed to a 14% inflation rate;

-- prices of traditional exports, particularly sugar, have decreased substantially;

-- 40% of the labor force is not working or is underemployed;

-- the poorest sectors of the society suffer from disproportionately high rates of sickness and mortality; and,

-- over half the population has a per capita annual income of less than $70.

A.I.D. is concentrating its assistance on the agriculture and health sectors with particular emphasis on supporting Government programs to assist the rural poor. Programs in agriculture have focused on extending essential services and credit to rural areas to improve the income of small farmers and landless laborers, and to increase per capita farm productivity.

Programs in health confront the most widespread and serious health problems of the poor, with primary emphasis on the establishment of a low-cost rural health and family planning delivery system that stresses preventive medicine.

3. Basic Data

Population (millions - mid-1975)	4.9
Annual Growth Rate (percent)	3.0
Population in Urban Areas (Percent - 1975)	44

DOMINICAN REPUBLIC (Cont'd)

Labor Force in Agriculture (Percent)	31
Per Capita GNP (dollars - 1973)*	530
Life Expectancy (years)	58
People Per Doctor	2,040
Literacy Rate (percent)	68
Students as % of 5-19 Age Group (Primary and Secondary)	52

* - Estimate in IBRD 1975 Annual Report

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Est'd
Development Assistance	5.6	15.9	0.2	0.9
AID loans	4.8	15.0	--	--
AID grants	0.8	0.9	0.2	0.9
AID other	--	--	--	--
Security Supporting Assistance	--	--	--	--
Sub-Total, AID	5.6	15.9	0.2	0.9
Public Law 480, Title I	--	--	--	--
Public Law 480, Title II	5.6	15.6	3.3	8.5
Total U.S. Economic Assistance	11.2	31.5	3.5	9.4

ECUADOR

1. Program Strategy and Content

Ecuador is a minor oil exporter, and with Venezuela one of two OPEC members in the hemisphere. Although Ecuador is still a relatively poor country, oil revenues have greatly improved its ability to finance its own development. Consequently, our two governments agreed to phase out of A.I.D. operations. The last A.I.D. obligation occurred in FY 1975. A.I.D. will complete its disbursements and deactivate its mission by the end of 1977. It is expected that PL 480 - Title II, Narcotics and American Institute for Free Labor Development (AIFLD) activities will continue. The World Bank is organizing a Consultative Group for Ecuador, which receives aid from international organizations on their harder terms.

2. Basic Data

Per Capita GNP (dollars)	405*
Life Expectancy (years).....	59
People Per Doctor	2,920
Literacy Rate (percent)	68
Students as % of 5 - 19 Age Group..... (Primary and Secondary)	53
Population (millions - mid-1974).....	7.0
(Annual Growth Rate percent).....	3.4
Population in Urban Areas..... (Percent - 1973)	40
Labor Force in Agriculture..... (Percent)	53

* - 1974 in 1973 prices.

3. Program Levels - Ecuador

	($ millions) 1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Development Assistance	2.1	-	-	-
AID Loans	-	-	-	-
AID Grants	2.1	-	-	-
Sub-Total, AID	2.1	-	-	-
Public Law 480 - Title II	3.5	2.4	0.2	1.8
Total U.S. Economic Assistance	5.6	2.4	0.2	1.8

EL SALVADOR

1. Principal U.S. Interests

Major U.S. interests in El Salvador are socio-economic development of the rural poor and continued progress in the settlement of the El Salvador-Honduras dispute,in order to facilitate Central American integration.

2. Program Strategy and Content

A.I.D.'s assistance to El Salvador in recent years has been modest. In recognition of the need for better economic planning, A.I.D. has encouraged the Government to undertake studies and policy initiatives leading to accelerated economic development, particularly in the rural areas and on behalf of the rural poor. These steps include: a national population policy; a national nutrition policy; and, an agrarian transformation law (as yet not clearly defined). The Government has also increased financial and technical resources in the agriculture, education and health sectors to help the small farmer.

A.I.D. is funding programs in agriculture, family planning and health, and education. In agriculture,A.I.D. is concentrating on transfer of appropriate technology for the small farmer, irrigation, and production credit. In health, A.I.D. supports a successful family planning program through training of rural health aides. In education, the emphasis is on skills training programs for the rural and urban poor to enhance their employment opportunities.

3. Basic Data

Population (millions - mid-1975)	4.1
Annual Growth Rate (percent)	3.2
Population in Urban Areas (Percent - 1975)	40
Labor Force In Agriculture (Percent)	47
Per Capita GNP (dollars - 1973)	370*
Life Expectancy (years)	58
People Per Doctor	3,940
Literacy Rate (percent)	57
Students as % of 5-19 Age Group (Primary and Secondary)	43

* - Estimate in IBRD 1975 Annual Report

4. Program Levels - El Salvador

	1975 Actual	1976 Actual	TQ Actual	1977 Est'd
	($ millions)			
Development Assistance	1.5	1.6	0.2	15.7
AID loans	--	--	--	13.0
AID grants	1.5	1.6	0.2	2.7
AID other	--	--	--	--
Security Supporting Assistance	--	--	--	--
Sub-Total, AID	1.5	1.6	0.2	15.7
Public Law 480, Title I	--	--	--	--
Public Law 480, Title II	1.4	2.8	0.4	2.0
Total U.S. Economic Assistance	2.9	4.4	0.6	17.7

GUATEMALA

1. Principal U.S. Interests

The primary U.S. interest in Guatemala is improvement of the well-being of the low-income majority.

2. Program Strategy and Content

A.I.D.'s current assistance to Guatemala is focused heavily on meeting the urgent relief and reconstriction needs of the population following the February 4, 1976 earthquake, which devastated a large portion of rural Guatemala and caused a billion dollars in damage. Further support for the reconstruction effort is planned, with additional funding for the construction and repair of schools and houses. In addition to these programs, A.I.D. has concentrated its development assistance efforts in rural areas, particularly the Indian highlands where the large majority of the population is desperately poor. In agriculture, A.I.D. programs are helping to alleviate man-to-land pressures in the highlands, and supporting the cooperative movement. In health, A.I.D. has helped the Government of Guatemala develop a rural health delivery system, and is currently supporting the Ministry of Health in developing a system for planning and evaluating health services. In education, A.I.D. is both helping the Government extend the coverage of its rural primary schools, and supporting non-formal education activities for the adult population.

3. Basic Data

Population (millions - mid-1975)	6.0
Annual Growth Rate(percent)	2.8
Population in Urban Areas (Percent - 1975)	35
Labor Force in Agriculture (Percent)	57
Per Capita GNP (dollars - 1973)	520*
Life Expectancy (years)	52
People Per Doctor	4,480
Literacy Rate (percent)	46
Students as % of 5-19 Age Group (Primary and Secondary)	29

* - Estimate in IBRD 1975 Annual Report

4. Program Levels - Guatemala

	1975 Actual	1976 Actual	TQ Actual	1977 Est'd
	($ millions)			
Development Assistance	9.4	23.1	0.4	25.6
AID loans	7.0	21.0	--	23.3
AID grants	2.4	2.1	0.4	2.3
AID other (Disaster Assistance	--	25.0	--	--
Security Supporting Assistance	--	--	--	--
Sub-Total, AID	9.4	48.1	0.4	25.6
Public Law 480, Title I	--	--	--	--
Public Law 480, Title II	3.5	23.2	1.0	9.3
Total U.S. Economic Assistance	12.9	71.3	1.4	34.9

GUYANA

1. Principal U.S. Interests

The United States is following with interest Guyana's experiment with its own form of socialism which could influence the course of political and economic development throughout the Commonwealth Caribbean. Guyana is at present our primary source of calcined bauxite, and the United States is Guyana's major supplier of machinery.

2. Program Strategy and Content

A.I.D.'s current program in Guyana is limited to completing rice modernization, and highway and bridge construction projects. In addition, a technical assistance grant is continuing to support small-scale community development activities. An Excess Property project, carried out over the past two years, provided barges for river transport of agricultural produce. The Government has requested a new program of the same type.

A.I.D.'s major contribution to Guyana's development needs is the FY 1969 $12.9 million rice modernization loan which is now nearly disbursed. This loan has, by itself, made Guyana an exporter of rice, the country's basic food crop, instead of an importer. Two other loans for highway and bridge construction are helping to improve the country's basic infrastructure.

A $1.0 million Manpower Training loan authorized in FY 1975, but not yet signed, and a proposed $3.5 million Food Crop Production loan are currently being held in abeyance.

3. Basic Data

Population (millions - mid-1975)	0.8
Annual Growth Rate (percent)	2.2
Population in Urban Areas (Percent - 1975)	34
Labor Force in Agriculture (Percent)	30
Per Capita GNP (dollars - 1973)	400*
Life Expectancy (years)	65
People Per Doctor	3,850

* Estimate in IBRD 1974 Annual Report

GUYANA (Cont'd)

Literacy Rate (percent)	80
Students as % of 5-19 Age Group (Primary and Secondard)	70

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	T.Q. Actual	1977 Estimated
Development Assistance	1.0	1.8	*	3.8
AID Loans	1.0	1.8	-	3.5
AID Grants	*	*	*	0.3
AID Other	-	-	-	-
Security Supporting Assistance	-	-	-	-
Sub-Total, A.I.D.	1.0	1.8	*	3.8
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	-	-	-	-
Total U.S. Economic Assistance	1.0	1.8	*	3.8

*Less than $50,000

HAITI

1. Principal U.S. Interests

The primary U.S. interests in Haiti are: economic development of the poorest country in the Western Hemisphere; continuing good climate for U.S. trade and investment; and maintenance of good relations with a stable, friendly voice in the Caribbean.

2. Program Strategy and Content

With 77% of the labor force in agriculture, Haiti must increase farm productivity to improve the standard of living of its rural poor and to generate internal resources for its development. Major impediments are its extreme population density - about two people for each acre of arable land - constant erosion of topsoil, undependable rainfall patterns and lack of rural transport.

A.I.D. projects now underway provide direct production assistance to small farmers, assist the Government in analyzing the effects of its policies on productivity, support rehabilitation of irrigation systems, and finance construction of all-weather rural feeder roads. Longer-range efforts are designed to assist the Government to strengthen its agricultural extension and soil conservation services and its agricultural research activities.

Given the desperate health needs of most of Haiti's population, A.I.D. is working with the Haitian Ministry of Public Health and Population to develop an effective rural health delivery system. Activities in progress include a nationwide maternal and child health program with a major emphasis on family planning, a nutrition center project with both remedial and educational aspects, development of a national planning capability in the Ministry, and continuation of a long-term effort to control malaria, which remains a serious problem in Haiti.

Assistance from other external donors is closely related to most of our efforts in Haiti. Special attention is being given to improved coordination between the Government and the donors to avoid duplication and to insure that Haiti's limited internal resources are directed toward the highest priority areas.

3. Basic Data - Haiti

Per Capita GNP (dollars - 1973).....	120*
Life Expectancy (years).....	45
People Per Doctor.....	11,550
Literacy Rate (percent).....	10
Students as % of 5 - 19 Age Group..... (Primary and Secondary)	21
Population (millions - mid-1975).....	5.0
(Annual Growth Rate percent).....	2.1
Population in Urban Areas..... (Percent - 1975)	21
Labor Force in Agriculture..... (Percent)	77

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1077 Estimated
Development Assistance	3.6	9.3	11.0	20.2
AID Loans	-	5.0	8.0	14.0
AID Grants	3.6	4.3	3.0	6.2
AID Disaster Relief	2.7	-	-	-
Sub-Total, AID	6.3	9.3	11.0	20.2
Public Law 480, Title I	2.4	5.2	-	7.1
Public Law 480, Title II	3.3	8.3	0.9	7.0
Total U.S. Economic Assistance	12.0	22.8	11.9	34.3

* - Estimate in IBRD 1975 Annual Report.

HONDURAS

1. Principal U.S. Interests

Major U.S. interests in Honduras include fostering economic and social development of the poor majority, with particular emphasis on the rural poor; and providing humanitarian assistance to one of the three poorest countries in the Western Hemisphere, and one of the four most seriously affected by the energy crisis.

2. Program Strategy and Content

The Development Plan of the Government of Honduras emphasizes agrarian reform and the integration of the rural poor into the economic and social life of the country. Agrarian reform is the main vehicle for increasing production and income in the countryside. A.I.D. supports the reform with production credit, technical assistance, agricultural inputs, and access roads for agrarian reform settlements. Other programs which are directed at the rural poor include: nutrition; a primary and non-formal education program which intends to make education more relevant to the needs of rural people; the training of paramedics for rural health clinics; and a municipal development bank program for rural market towns. There are programs supporting cooperatives and public sector agricultural insitutions, and a cadastral program to develop relevant data on land property.

Disaster relief, rehabilitation and reconstruction assistance became a major part of A.I.D.'s program in the aftermath of Hurricane Fifi which struck the country in September 1974. A grant helped farmers replant their crops, and assisted with the reconstruction of roads, bridges, homes, health centers and water systems. Two loans are providing agricultural credit and funds for grain marketing to overcome food deficits caused by the storm; primary schools and access roads are being reconstructed; and low-cost rural homes are being built.

3. Basic Data - Honduras

Per Capita GNP (dollars-1973).....	330*
Life Expectancy (years).....	53
People Per Doctor.....	3,710
Literacy Rate (percent).....	45
Students as % of 5 - 19 Age Group..... (Primary and Secondary)	40
Population (millions - mid-1975).....	3.2
(Annual Growth Rate -percent).....	3.5
Population in Urban Areas..... (Percent - 1975)	28
Labor Force in Agriculture..... (Percent)	67

4. Program Levels

($ millions)

	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Development Assistance	25.4	14.8	1.9	15.6
AID Loans	19.0	13.0	-	13.5
AID Grants	6.5	1.8	1.9	2.1
AID other (Disaster Assistance)	.6	-	-	-
Sub-Total, AID	26.0	14.8	1.9	15.6
Public Law 480, Title I	5.1	2.2	-	2.2
Public Law 480, Title II	3.7	4.0	.5	3.1
Total U.S. Economic Assistance	34.8	21.0	2.4	20.9

* - Estimate in IBRD 1975 Annual Report

JAMAICA

1. Principal U.S. Interests

The United States is heavily invested in Jamaican bauxite and alumina and relies on this source for over half the needs of the U.S. aluminum industry.

The state of Jamaica's deteriorating economy has had a debilitating influence on Jamaican - U.S. relations. The United States therefore maintains a vital interest in those aspects of Jamaica's social and eocnomic life which have led to its present unstable condition.

2. Program Strategy and Content

Increasing emphasis is being placed by A.I.D. and other donors on helping the Government of Jamaica revitalize its agriculture sector in order to provide new jobs, increase food production and reduce costs of imported food resources.

The high rate of unemployment (22% with sharply higher levels in the under 25 age group) is creating a serious strain on Jamaica's socio-economic fabric and contributing to demands for changes in the basic economic structure. Stagnation in the agricultural sector aggravates the unemployment problem and contributes to a $200 million food import bill, increasing pressures on Jamaica's balance of payments.

In recent years A.I.D. has provided the largest share of its grant assistance to help Jamaica carry out an extensive population program, which has reduced the live birth rate from 39 per thousand in 1965 to 29 per thousand in 1975. Other A.I.D.-financed grant activities include health improvement for young children, an inland fisheries project, and assistance to strengthen Jamaican national planning capability.

A.I.D.'s PL 480 Title I program has made possible school feeding for more than 200,000 school children and maternal and child health food supplements for another 50,000 individuals.

3. Basic Data - Jamaica

Per Capita GNP (dollars-1973).....	860*
Life Expectancy (years).....	68
People Per Doctor.....	3,940
Literacy Rate (percent).....	82
Students as % of 5 - 19 Age Group..... (Primary and Secondary)	66
Population (millions-mid-1975).....	2.1
(Annual Growth Rate percent).....	2.2
Population in Urban Areas..... (Percent - 1975)	45
Labor Force in Agriculture..... (Percent)	33

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Development Assistance	0.5	0.8	0.1	3.1
AID Loans	-	-	-	2.0
AID Grants	0.5	0.8	0.1	1.1
Sub-Total, AID	0.5	0.8	0.1	3.1
Public Law 480 - Title I	1.5	2.5	-	-
Total U.S. Economic Assistance	2.0	3.3	0.1	3.1

* - Estimate in IBRD 1975 Annual Report.

NICARAGUA

1. Principal U.S. Interests

U.S. interests in Nicaragua are to promote equitable social and economic development of the poor majority, while maintaining a cooperative but balanced relationship with the Government. Nicaraguan foreign policy stresses maintenance of the closest possible ties with the United States and the two countries have maintained a mutually beneficial relationship for many years.

2. Program Strategy and Content

A.I.D. is engaged in two concurrent assistance efforts in Nicaragua. One is related to the December 23, 1972 earthquake which devastated Managua. The U.S. Government has provided about $80 million for urgent relief and reconstruction programs. During the next two years reconstruction activities will focus on providing better housing for those affected and on complementing Government and other donor resources carrying out an orderly reconstruction of Managua, to better withstand future earthquakes.

The other effort supports Nicaragua in carrying out an integrated rural development strategy designed to attack the causes of poverty and low standard of living in rural areas, including institutional, cultural and resource allocation constraints.

The strategy seeks to (1) improve income distribution (in the rural sector the top five percent receives over 40 percent of total income); (2) increase small farmer production; and (3) provide essential health, education, nutrition and other social services presently outside the reach of the majority of the rural poor (those with a per capita income of $120 or less).

Integrated projects in agriculture, health, education, nutrition and municipal development have been designed to attain these targets. They will concentrate initially in two geographic regions having the highest incidence of poverty.

Other donors include: the Inter-American Development Bank (roads, colonization, universities and reconstruction); the World Bank (energy, agro-industrial credit and reconstruction); the Central American Bank for Economic Integration (transport, industry and communications).

3. Basic Data - Nicaragua

Per Capita GNP (dollars-1973).....	520*
Life Expectancy (years).....	50
People Per Doctor.....	1,510
Literacy Rate (percent).....	57
Students as % of 5 - 19 Age Group..... (Primary and Secondary)	45
Population (millions - mid-1975).....	2.2
(Annual Growth Rate percent).....	3.0
Population in Urban Areas..... (Percent-1975)	48
Labor Force in Agriculture..... (Percent)	46

4. Program Levels

($ millions)

	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Development Assistance	40.2	16.8	0.9	17.0
AID Loans	39.0	15.0	-	15.0
AID Grants	1.2	1.8	0.9	2.0
Sub-Total, AID	40.2	16.8	0.9	17.0
Public Law 480, Title II	1.3	2.1	-	-
Total U.S. Economic Assistance	41.5	18.9	0.9	17.0

* - Estimate in IBRD 1975 Annual Report.

PANAMA

1. Principal U.S. Interests

The issue permeating Panama-U.S. relations is the negotiation of a new Panama Canal treaty. Based on a joint Statement of Principles, signed in February 1974, the objective of the negotiations is to replace the 1903 treaty with a fixed-term treaty which will accommodate Panamanian aspirations on sovereignty and perpetuity while safeguarding United States interests in a safe, efficient and neutral canal open to the ships of all nations.

2. Program Strategy and Content

On the basis of a high literacy rate, modest population growth rate, strong financial services sector and a $940 per capita GNP, Panama appears to have made considerable progress in its social and economic development. However, following a decade of impressive economic growth, averaging nearly 8% per year, Panama's growth rate declined to 3.5% in 1974 and to 2.6% in 1975. Key economic indicators continue to decline despite a large boost in public sector spending which has not affected private investment or aggregate demand.

There is a continuing sharp disparity between urban and rural populations. Many rural poor remain on the margins of the national economy. Services such as credit, marketing facilities, a relevant education and adequate health care have not reached the majority of Panamanian rural dwellers.

The purpose of the Panama-A.I.D. program is to alleviate the constraints on the rural poor which prevent full participation in the economy. In education, A.I.D. resources are geared to develop a practical basic curriculum and technical training system for rural dwellers. A.I.D. is also assisting the Panamanian Government in the operational integration of the existing public health services of both the social security system and the Ministry of Health so that health facilities are more accessible. This effort includes the construction and organization of rural health centers. In agriculture, A.I.D.'s efforts include development of market towns, cooperatives and rural regional integrated development.

3. Basic Data - Panama

Per Capita GNP (dollars - 1973).....	940*
Life Expectancy (years).....	66
People Per Doctor.....	1,440
Literacy Rate (percent).....	78
Students as % of 5 - 19 Age Group..... (Primary and Secondary)	70
Population (millions - mid-1975).....	1.7
(Annual Growth Rate percent).....	2.6
Population in Urban Areas..... (Percent - 1975)	51
Labor Force in Agriculture..... (Percent)	39

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Development Assistance	7.8	22.7	4.0	11.6
AID Loans	6.2	21.0	3.5	10.0
AID Grants	1.6	1.7	0.5	1.6
Sub-Total, AID	7.8	22.7	4.0	11.6
Public Law 480 - Title II	0.9	1.5	0.1	2.9
Total U.S. Economic Assistance	8.7	24.2	4.1	14.5

- Estimate in IBRD 1974 Annual Report.

PARAGUAY

1. Principal U.S. Interests

a. Helping Paraguay achieve economic and social development, particularly among its poor majority.

b. Encouraging improved performance by the Government of Paraguay (GOP) in the human rights area.

2. Program Strategy and Content

Paraguay remains one of the poorest countries in Latin America. Although its per capita GNP was $350 in 1973, among the rural poor it was closer to $170. The A.I.D. program concentrates on the small farmer of the populous and agriculturally rich eastern region of the country. Three loans are directed at small farmer development. One will give some 9,000 farmers, who cultivate less than 20 hectares, access to credit, technical assistance and agricultural inputs. A Rural Enterprises loan will promote the creation of an agri-industrial infrastructure serving the small farmer and, in the process, involve the Central Bank and commercial banks in development programs. A Small Farmer Access Roads loan will help improve the rural feeder roads network, and institutionalize a construction/maintenance capability in the Government. Companion grant projects in the agriculture sector will help strengthen the organization and staff of a non-government credit union federation and its affiliates; help improve sectoral planning; and, make available to small farmers technical assistance in rural cooperative marketing and services, small livestock development, and improved practices in small farm management. Two Rural Education grant projects will focus on low-cost, non-formal approaches for educating the rural population, including persons whose primary language is Guarani, and on making rural radio education programs more effective. A grant Family Planning project supports the Health Ministry's rural clinical outreach effort, and provides the only supervised family planning services available to the rural poor. Two small grant projects, carried out by private voluntary organizations, focus on rural health education and community services for women.

3. Basic Data

Per Capita GNP (dollars - 1973)	$350*
Life Expectancy (years)	61
People Per Doctor	2,220

* Estimate in IBRD 1975 Annual Report

PARAGUAY (Cont'd)

Literacy Rate (Percent)	74
Students as % of 5-19 Age Group (Primary and Secondary)	56
Population (millions - mid-1975)	2.6
Annual Growth Rate(percent)	2.6
Population in Urban Areas (Percent - 1975)	37
Labor Force in Agriculture (Percent)	53

4. Program Levels

($ millions)

	1975 Actual	1976 Actual	T.Q. Actual	1977 Estimated
Development Assistance	6.7	4.4	1.0	5.9
AID Loans	4.7	2.5	-	4.4
AID Grants	2.0	1.9	1.0	1.5
AID Other	-	-	-	-
Security Supporting Assistance	-	-	-	-
Sub-Total, AID	6.7	4.4	1.0	5.9
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	-	-	-	-
Total U.S. Economic Assistance	6.7	4.4	1.0	5.9

PERU

1. Principal U.S. Interests

   -- Continued economic progress.

   -- Support for Peru's reforms to benefit the rural poor.

2. Program Strategy and Content

Since 1968 the Government of Peru has followed a development strategy aimed at achieving broader popular participation in and benefit from the country's economic efforts and progress. From 1969 to 1974, because of a protracted investment dispute, A.I.D. efforts were limited to assisting Peru with disaster reconstruction efforts. Since then A.I.D. has expanded its program to support the Government's broad strategy for economic and social development. The A.I.D. program is concentrated in agriculture, education, health and nutrition activities designed to benefit the rural poor, particularly addressing the problems of the highland Indians.

Peru's major developmental problems include: low-literacy rate; shortage of administrative and technical skills; high population growth rate; widespread malnutrition; limited savings and investment; and balance of payments deficits. Economic assistance to Peru is coordinated through a World Bank-chaired Consultative Group and is provided at a significant level by the IDB, IBRD, UNDP and a number of bilateral donors, including Canada, the United Kingdom, the Netherlands and Japan.

3. Basic Data - Peru

Per Capita GNP (dollars - 1973)	590*
Life Expectancy (years).....	58
People Per Doctor.....	1,780
Literacy Rate (percent).....	61
Students as % of 5 - 19 Age Group..... (Primary and Secondary)	62
Population (millions - mid-1975).....	15.6
(Annual Growth Rate percent).....	3.1
Population in Urban Areas..... (Percent - 1975)	57
Labor Force in Agriculture	45

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Development Assistance	8.9	12.7	0.9	11.8
AID Loans	7.0	11.0	-	10.0
AID Grants	1.9	1.7	0.9	1.8
Sub-Total, AID	8.9	12.7	0.9	11.8
Public Law 480, Title II	6.0	8.9	3.4	7.4
Total U.S. Economic Assistance	14.9	21.6	4.3	19.2

* - Estimate in IBRD 1975 Annual Report.

URUGUAY

1. Principal U.S. Interests

-- Supporting Uruguay's stabilization and development effort.

-- Easing Uruguay's transition to graduated country status.

-- Encouraging improved government performance in the human rights area.

2. Program Strategy and Content

Given Uruguay's per capita income level, its internal savings potential, and its access to substantial multilateral and other bilateral assistance, we are phasing out A.I.D. assistance starting in FY 1978. No new loans or major grants are proposed.

The program has concentrated in recent years in the agriculture sector. The main component in the program is a three-loan package authorized in FY 1975, which focuses on increasing agricultural production and productivity and expanding agri-industrial and marketing infrastructure essential to increasing non-traditional exports.

Two major grant projects provide technical assistance to upgrade fiscal policy planning and improve tax administration and training to officials in key development agencies in economics and management. Several private voluntary organizations have provided technical assistance, training, research and production inputs to cooperatives and credit unions.

3. Basic Data - Uruguay

Per Capita GNP (dollars - 1973)	780*
Life Expectancy (years)	68
People Per Doctor.....	910
Literacy Rate (percent).....	90
Students as % of 5 - 19 Age Group..... (Primary and Secondary)	68
Population (millions - mid-1975).....	3.1
(Annual Growth Rate percent).....	1.1
Population in Urban Areas..... (Percent - 1975)	81
Labor Force in Agriculture..... (Percent)	17

. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Development Assistance	12.7	0.6	0.1	0.5
AID Loans	11.8	-	-	-
AID Grants	0.9	0.6	0.1	0.5
Total U.S. Economic Assistance	12.7	0.6	0.1	0.5

* - Estimate in IBRD 1975 Annual Report.

CARIBBEAN REGIONAL

1. Principal U.S. Interests

U.S. political and economic interests in the Commonwealth Caribbean, with five million inhabitants in 16 states, have grown as new nations have achieved independence in the past 15 years and as the United Kingdom has decreased its support. U.S. exports to the English-speaking Caribbean total $500 million per year, while direct private U.S. investment now exceeds $2 billion. With over a million U.S. tourists visiting the area annually, tourism provides another close tie but has proved to be a mixed blessing for the Caribbean area. As people have left the farms and rural communities to work in hotels and service trades, agricultural production has declined to the extent that the cost of food imports now exceeds $500 million.

2. Program Strategy and Content

A.I.D.'s strategy under the Caribbean Regional Program is to (1) provide development assistance to the Less Developed Countries (LDCs) of the area; (2) strengthen the capability of selected regional institutions; and (3) influence the LDCs to cooperate under regional sponsorship in programs of common services which best serve the development requirements of the most needy. In carrying out this strategy we work closely with other donors, particularly the United Kingdom, Canada and the World Bank, the Caribbean Development Bank (CDB) and the University of the West Indies.

A.I.D.'s lending in FY 1976 consisted of a $10.0 million loan to the CDB for the integrated agricultural development of the LDCs and a $6.0 million loan to promote agribusiness development in the entire Caribbean area.

For FY 1977, A.I.D. plans to make a $5.5 million loan to the CDB to provide additional impetus to agribusiness development in the LDCs.

3. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Development Assistance	8.6	16.5	0.2	6.2
AID Loans	8.5	16.0	-	5.5
AID Grants	0.1	0.5	0.2	0.7
Sub-Total,AID	8.6	16.5	0.2	6.2
Total U.S. Economic Assistance	8.6	16.5	0.2	6.2

LATIN AMERICA REGIONAL

1. Program Strategy and Content

The Latin America Regional Program makes possible an attack on development problems that are regional rather than national in scope. It also:

- -- Provides an appropriate way to work out techniques (e.g., mathematical sector analysis models) on a small scale that may later be useful in various country programs; and
- -- supports activities that can be effectively managed only on regional levels (e.g., American Institute for Free Labor Development and the National Association of the Partners of the Americas); and
- -- makes possible research and pilot project work to develop solutions which represent substantial potential payoff, yet which have not been sufficiently tested to justify inclusion in A.I.D. country programs (e.g., crop insurance for small farmers).

A.I.D. support is provided mainly through technical assistance grants, although in FY 1976 a $4 million loan was authorized to the Latin American Confederation of Credit Unions (COLAC) to increase financial and technical assistance to its 15 national credit union members. The Inter-American Development Bank is assisting COLAC.

Several programs are addressing major hemisphere problems; for example, how to reach poor rural populations where schools and teachers are scarce, illiteracy is high, the spoken language may be different than the national language, and budget resources are insufficient for national coverage using the traditional education system. In Guatemala, for example, the Basic Village Education project is testing the effectiveness of radio, tape cassettes, flip charts, and other audio-visual techniques to train rural adults. Other Latin American countries, including Bolivia, Honduras, Nicaragua and Panama, are considering educational programs based on the Guatemalan model.

Two educational projects, one of which also makes use of radio, are specifically aimed at improving the education and economic status of rural women. Research work is also planned or underway in the area of legal services to the poor; science and technology information transfer; and educational materials for use in furthering the effectiveness of the A.I.D. program (e.g., a regional seminar for A.I.D. and host-country personnel is studying protection of PL 480 Title II commodities against infestation by pests).

The American Institute for Free Labor Development (AIFLD), jointly sponsored by the AFL-CIO, the US Government, and US business enterprises has been assisting free trade unions in Latin America through education and social programs since its inception in 1962. Programs are continuing in 13 countries and the Caribbean. Additional activities carried out through union-to-union relationship under an A.I.D. grant to AIFLD involve the participation of labor leaders from almost all the countries of the region.

2. Program Levels - Latin America Regional

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Development Assistance	24.9	16.9	3.9	15.1
AID Loans	-	4.0	-	-
AID Grants	24.9	12.9	3.9	15.1
Total U.S. Economic Assistance	24.9	16.9	3.9	15.1

REGIONAL OFFICE FOR CENTRAL AMERICAN PROGRAMS (ROCAP)

1. Principal U.S. Interests

Major U.S. interest is continued equitable economic growth in the five Central American countries through further economic integration in the region.

2. Program Strategy and Content

The ROCAP program focuses on activities which: (1) further regional integration; (2) support Central American bilateral A.I.D. programs by lending themselves to regional application because of potential economies of scale; and (3) provide centralized services to the bilateral missions.

In support of integration activities, A.I.D. is assisting in a detailed analysis, scheduled to be completed in early 1977, of the costs and benefits which would result from a major expansion of intraregional trade in agriculture. If this study demonstrates that substantial benefits would accrue from increased agricultural trade, A.I.D. would help the Central Americans fund activities that would promote such trade.

A.I.D. is also supporting a program through the Central American Bank for Economic Integration which will stimulate loans to private agri-businesses in each of the five Central American countries.

A.I.D. will continue to help other key Central American institutions, including the Institute for Nutrition of Central America and Panama and the Secretariat for Central American Economic Integration carry out their respective regional programs.

3. Program Levels

	($ millions) 1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Development Assistance	6.4	2.4	16.0	2.6
AID Loans	5.0	-	15.0	-
AID Grants	1.4	2.4	1.0	2.6
Sub-Total, AID	6.4	2.4	16.0	2.6
Total U.S. Economic Assistance	6.4	2.4	16.0	2.6

CENTRAL AFRICAN REPUBLIC

1. Principal U.S. Interests

U.S. interests in the Central African Republic (CAR) are primarily humanitarian.

2. Program Strategy and Content

The CAR is one of the poorest countries in the world. In 1975 the U.N. included the CAR in its list of hard core least developed countries among the developing countries. Agriculture is the CAR's most important economic sector, providing a livelihood for nearly 85 percent of the population, and accounting for about half of its exports. Major exports are cotton, timber, coffee and diamonds.

The U.S.'s development strategy reflects a humanitarian concern for the people of the CAR and is aimed at increasing agricultural production and improving the health and skills of the rural poor. The lack of physical infrastructure and scarcity of trained manpower and managerial capacity in the country limits the CAR's absorptive capacity in terms of development assistance projects.

While France remains the dominant donor to the CAR the U.S. assistance program has been increasing modestly. In FY 1976 the U.S. program totalled approximately $800,000. The two major projects are the establishment of a seed production center and the training and equipment of two well drilling teams to provide village drinking water. A FY 1977 project has just been approved for technical assistance and equipment to expand fish production. The project is designed to rehabilitate CAR fish stations and assist farmers in the establishment of fish ponds. A project to establish a health delivery system in Ouham province is in the advanced planning stage.

3. Basic Data - CAR

Population (millions mid 1975)	1.7
Annual Growth Rate (percent)	2.2
Population in Urban Areas (Percent - 1975)	36
Labor Force in Agriculture (percent)	87
Per Capita GNP (dollars - 1973)*	170
Life Expectancy (years)	41
People per Doctor	29,100
Literacy Rate (percent)	5-10
Students as % of 5-19 Age Group (Primary and Secondary)	33

4. Program Levels

($ millions)

	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance				
AID loans	-	.8	-	1.0
AID grants	-	-	-	-
African Drought Assistance**	-	.3	-	.9
	-	.5	-	.1
Security Supporting Assistance				
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	-	.8	-	1.0
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	.3	.3	-	.5
Total U.S. Economic Assistance	.3	1.1	-	1.5

*Estimate in IBRD 1975 Annual Report
**Special funds provided pursuant to Foreign Disaster Assistance Act of 1974.

RWANDA

1. Principal U.S. Interests

U.S. interests in Rwanda are primarily humanitarian.

2. Program Strategy and Content

Rwanda is one of the poorest countries in the world. Designated by the United Nations as one of the countries to receive special consideration from international donors, Rwanda's economy would deteriorate rapidly without external economic assistance. The absence of any exploitable mineral resources, limited arable land, difficult access to the sea, an acute shortage of administrative and technical capacity and rapid growth of an already too large population have combined with other human and natural constraints to sharply limit prospects for the country's economic development. Despite efforts of the present government to mobilize effectively the available resources, both indigenous and foreign, the inexorable growth of the population is likely to bring about a gradual deterioration in the already low quality of life for the average Rwandan over the next two decades. Nonetheless, foreign assistance contributions which are expected to average about $25 to $30 million per year should permit some marked improvements in the economic infrastructure of the country, while enabling the Government of Rwanda (GOR) to cope with the day to day demands of its struggling economy.

U.S. assistance programs to Rwanda were halted following a series of ethnic massacres in Rwanda and Burundi in 1972 and 1973. However, by early 1974 the situation had improved to the extent that normalization of relations was begun. Following a positive U.S. response to a Rwanda plea for emergency food supplies after a 1974-75 crop failure, the U.S. resumed small-scale economic assistance activities implemented by the Embassy. By 1975 these activities had grown to the level that an A.I.D. development officer was placed in the Embassy to oversee ongoing and new development activities. To date these activities are concentrated in the area of food and nutrition, since there is little alternative to dependence on improvement of agriculture for this country.

The United States has made a special commitment to help those countries which, like Rwanda, are among the world's least developed. However, given the important role in Rwandan economic development which other donors - Belgium, the IBRD, the UNDP, the European Development Fund, the Federal Republic of Germany - are playing, U.S. assistance will aim primarily at stimulating new approaches to improving the agricultural productivity of small farmers and playing a catalytic role with other donors.

The U.S. program remains at a modest level (approximately $500,000 average per year).

3. Basic Data - RWANDA

Population (millions mid 1975)	4.4
Annual Growth Rate (percent)	2.8
Population in Urban Areas (Percent - 1975)	4
Labor Force in Agriculture (percent)	91
Per Capita GNP (dollars - 1973)*	70
Life Expectancy (years)	41
People per Doctor	53,700
Literacy Rate (percent)	10
Students as % of 5-19 Age Group (Primary and Secondary)	31

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	.7	.3	.2	.2
AID loans	-	-	-	-
AID grants	.7	.3	.2	.2
AID other	-	-	-	-
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	.7	.3	.2	.2
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	2.1	1.2	.2	1.3
Total U.S. Economic Assistance	2.8	1.5	..4	1.5

*Estimate in IBRD 1975 Annual Report

ZAIRE

1. Principal U.S. Interests

Zaire is important to the U.S. for several reasons. It has abundant energy and mineral resources to which we want to maintain access; there are large (some $750 million) private U.S. financial and commercial interests in the country; and the government can play, and has played, an influential and moderating role in African and third world councils. To protect these interests, the maintenance of political stability and the furtherance of economic growth and development become important objectives of U.S. policy.

2. Program Strategy and Content

Zaire's relative prosperity of recent years has deteriorated as a result of a sharp reversal in its terms of trade. The price of copper, Zaire's primary foreign exchange earner, declined drastically in 1974. This coupled with sharp increases in world import prices, copper export transportation interruptions arising out of the Angolan and Rhodesian strife, and poor economic and financial management have combined to plunge Zaire into a serious economic and financial crisis. Zaire is currently in the process of rescheduling external debt, having earlier concluded a major economic stabilization agreement with the International Monetary Fund. In FY 1976 the U.S. assisted Zaire with Export-Import Bank, PL 480 Title I, and Commodity Credit Corp. credits in addition to an A.I.D. commodity import program loan and continuation of the development program. Similar assistance is planned for FY 1977.

The aid strategy in Zaire is to support government long term economic development efforts and priorities, while concurrently assisting to maintain the political and economic stability necessary for development.

The Agricultural and Health Sectors have been identified as those areas where U.S. assistance can have a major impact. The selection of these areas accords with Zairian priorities and capacities to utilize most effectively U.S. resources. Food production, nutrition, health and family planning efforts are mutually reinforcing, with first priority given to projects aimed at increasing through direct means food production destined for the market economy and an upgrading of Zairian nutritional standards. Integrated rural development approaches are being stressed by involving the concurrent development of agricultural production, transportation systems, health and other social services.

To date, a lesser priority has been accorded to Education Sector and Human Resource Development. However, significant design work is presently in progress in these areas, and we expect that the projects which will emerge will directly support the attainment of the priorities outlined above.

3. Basic Data - ZAIRE

Population (millions mid 1975)	21.2
Annual Growth Rate (percent)	2.4
Population in Urban Areas (Percent - 1975)	26
Labor Force in Agriculture (percent)	78
Per Capita GNP (dollars - 1973)*	90
Life Expectancy (years)	44
People per Doctor	26,000
Literacy Rate (percent)	20
Students as % of 5-19 Age Group (Primary and Secondary)	52

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	1.5	.5	7.0	.4
AID loans	.6	-	3.5	-
AID grants	.9	.5	3.5	.4
AID other	-	-	-	-
Security Supporting Assistance	-	12.0	-	20.0
AID loans	-	10.0	-	16.4
AID grants	-	2.0	-	3.6
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	1.5	12.5	7.0	20.4
Public Law 480, Title I	-	13.0	-	18.0
Public Law 480, Title II	.4	-	-	-
Total U.S. Economic Assistance	1.9	25.5	7.0	38.4

*Estimate in IBRD 1975 Annual Report

ETHIOPIA

1. Principal U.S. Interests

Ethiopia's geographic location is of strategic value to the United States, and a politically integrated stable country would have a positive influence in a region important to the U.S. Trade and investment possibilities are potentially important as is Ethiopia's position on issues in international fora. Of equal priority among the principal U.S. interests is our continuing concern for the development of the country.

2. Program Strategy and Content

The United States has been assisting Ethiopia's development since 1952. Assistance through 1970 concentrated on infrastructure, institutional development and manpower training. Since 1970 A.I.D. has concentrated on rural development and education. Ethiopia is one of the poorest countries of the world with a per capita income of $90 and a literacy rate of 5 percent. Eighty-five percent of the labor force is in agriculture.

The economic and social changes in the country since Ethiopia's revolutionary government came to power in February 1974 present a special challenge and opportunity. The Ethiopian Government's emphasis on self-reliance, mass participation, equity, benefits for the rural majority, and a more service-oriented government are clearly consistent with A.I.D.'s own analysis of development needs in recent years and are consistent with the Agency's current legislative emphasis. However, the unsettled internal political situation is making it difficult to fashion a future assistance program.

The USAID has developed an interim aid strategy for the next two years in which it proposes to communicate to the Ethiopian government the nature of the U.S. aid program and areas (agriculture, arid lands, rural roads) in which we are prepared to operate in response to the Government of Ethiopia's interests and initiative. The proposed interim strategy will be reviewed shortly by appropriate AID/W and State Department Staff and decisions made as to future program approaches.

3. Basic Data - ETHIOPIA

Population (millions mid 1975)	29.5
Annual Growth Rate (percent)	2.6
Population in Urban Areas (Percent - 1975)	11
Labor Force in Agriculture (percent)	85
Per Capita GNP (dollars - 1973)*	90
Life Expectancy (years)	38
People per Doctor	76,000
Literacy Rate (percent)	5
Students as % of 5-19 Age Group (Primary and Secondary)	9

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	25.7	5.6	-	9.5
AID loans	7.2	-	-	-
AID grants	10.0	5.4	-	9.5
African Drought Assistance**	8.5	.2	-	-
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	25.7	5.6	-	9.5
Public Law 480, Title I	-	3.6	-	-
Public Law 480, Title II	5.2	7.9	.2	4.0
Total U.S. Economic Assistance	30.9	17.1	.2	13.5

*Estimate in IBRD 1975 Annual Report
**Special funds provided pursuant to Foreign Disaster Assistance Act of 1974.

KENYA

1. Principal U.S. Interests

U.S. interests in Kenya are a combination of political, developmental, military and commercial. Kenya has traditionally adopted moderate positions in African and other international fora while proposing or supporting pragmatic solutions. Kenya permits U.S. naval access to the port of Mombasa.

2. Program Strategy and Content

Kenya's best hope for regaining development momentum, lost in 1974 as a result of the energy crises, is to expand agriculture production to meet domestic needs, expand exports and increase rural incomes. The Government recognizes this can best be done by raising the productive capacity of the sector and small producers.

A.I.D. assistance to Kenya appropriately is concentrated in the agriculture sector. This emphasis is in recognition of the fact that agriculture and livestock production development offer the greatest potential for increasing employment, satisfying domestic consumption, and generating foreign exchange revenues needed to sustain a high rate of economic growth. A.I.D. health and family planning policy programs also are of increasing importance in Kenya.

Beginning in 1975, A.I.D. began to shift its focus from limited efforts in livestock development to a broader strategy aiming at increased agricultural production and broader participation by small holders in the development process. During FY 1977 A.I.D. proposes a total of $15.3 million for continued assistance to the Government's livestock development program, including Range and Ranch Development, a Livestock Development Loan, technical support for the Nairobi Veterinary Faculty and Agriculture Credit; agriculture planning; continued assistance under the FY 1975 Agriculture Sector Loan; a rural roads system loan proposed for FY 77; management development; family planning and population studies.

3. Basic Data - KENYA

Population (millions mid 1975)	13.4
Annual Growth Rate (percent)	3.3
Population in Urban Areas (Percent - 1975)	11
Labor Force in Agriculture (percent)	80
Per Capita GNP (dollars - 1973)*	180
Life Expectancy (years)	49
People per Doctor	21,400
Literacy Rate (percent)	20-25
Students as % of 5-19 Age Group (Primary and Secondary)	37

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	16.2	3.9	1.0	21.4
AID loans	2.7	-	-	11.0
AID grants	13.5	3.2	1.0	10.1
African Drought Assistance**	-	.7	-	.3
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	16.2	3.9	1.0	21.4
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	1.0	2.3	.3	2.1
Total U.S. Economic Assistance	17.2	6.2	1.3	23.5

*Estimate in IBRD 1975 Annual Report
**Special funds provided pursuant to Foreign Disaster Assistance Act of 1974.

TANZANIA

1. Principal U.S. Interests

U.S. interests in Tanzania primarily are developmental but Tanzania, and especially President Julius Nyerere, plays an important role as an international leader of the developing world and a proponent of worldwide economic restructuring often referred to as the New Economic Order. Also, Tanzania is one of the Four Front Line African Countries deeply involved in efforts toward peaceful transfer of political power in Rhodesia.

2. Program Strategy and Content

Tanzania's two principal development goals are equalizing of living standards and poverty eradication. Development of the rural sector is the foundation of the country's strategy where small-holder agriculture is the livelihood of over 80% of the people.

Although potential for agricultural growth exists, the annual agricultural production increase of 2.4% during the period 1968-1973 failed to match annual population growth. Beginning in 1974 poor rains and stagnant agricultural production resulted in food imports of over $400 million in an 18-month period. Poor performance has resulted in part from several years of widespread drought. But other factors include excessive Tanzanian Government investment in social infrastructure compared with far too little invested in immediately productive agriculture and industrial activities, inadequate attention given to questions of food prices and their effect on farmer's willingness to produce, and poor preplanning of Ujamaa schemes.

Projects are directed at food crop and livestock production blending a production focus into Tanzanian agricultural inputs service of organizations: Agriculture Research, Seed Multiplication, Agricultural Marketing, Food Crop Production, Masai Livestock Development and Livestock Marketing Development. A.I.D. also is supporting institutional development efforts aimed at strengthening small credit programs and agricultural training.

With a 1975 Agriculture Sector Loan of $12 million, and another proposed for $4 million, AID is assisting Tanzanian investment programs in food crop production. PL 480 Title I and II assistance has been substantial.

As part of the multidonor rural health family planning program, A.I.D. has provided funds to finance construction and operation of 18 regional training centers. They will provide training for Maternal Child Health Aides assigned to work in dispensaries and rural health centers.

3. Basic Data - TANZANIA

Population (millions mid 1975)	15.5
Annual Growth Rate (percent)	3.0
Population in Urban Areas (Percent - 1975)	7
Labor Force in Agriculture (percent)	86
Per Capita GNP (dollars - 1973)*	120
Life Expectancy (years)	44
People per Doctor	21,300
Literacy Rate (percent)	15-20
Students as % of 5-19 Age Group (Primary and Secondary)	20

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	17.6	7.2	1.3	10.1
AID loans	12.0	-	-	4.0
AID grants	4.3	4.2	1.3	6.1
African Drought Assistance**	1.3	3.0	-	-
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	17.6	7.2	1.3	10.1
Public Law 480, Title I	7.6	4.5	-	6.0
Public Law 480, Title II	16.0	16.5	1.5	5.9
Total U.S. Economic Assistance	41.2	28.2	2.8	22.0

*Estimate in IBRD 1975 Annual Report
**Special funds provided pursuant to Foreign Disaster Assistance Act of 1974.

EAST AFRICA REGIONAL (East Africa Community)

1. Principal U.S. Interests

U.S. interests in the East African Community are defined primarily in terms of Community impact on the economic development of the partner states (Kenya, Tanzania and Uganda).

2. Program Strategy and Content)

The East African Community (EAC) is a regional association formed in 1967 by Kenya, Tanzania and Uganda to achieve accelerated, harmonious, and balanced development. It is headed by the presidents of the three member states. The daily business of the Community is conducted by three secretariats (Finance and Planning, Communications and Research, and Common Market and Economic Affairs) and two corporations (Post and Telecommunications and East African Airways).

Consisting of three distinctly different developing nations, each politically unique, the Community has reflected the changing and differing national interests of its members. During the latter part of 1975, partner states agreed to a formal review of the structure and functions of the Community. The partner states have stressed that the purpose of the review is to explore approaches which can make the Community more responsive to the needs of member states. Dissolution of two of the four Community Corporations,Railways and Harbours, has occured.

A.I.D. assistance is directed toward a goal which is pragmatic and valid even in view of present uncertainties.

That goal is to assist in the development of selected Community service organizations which it is expected will continue to receive partner state support. A.I.D. is supporting agricultural and fisheries research through the East African Agriculture and Forestry Research Organization and the East African Freshwater Fisheries Research Organization. The Fisheries Research program aims at developing a systematic approach to fish farming in contiguous inland waters.

In food crops research emphasis is placed on the following: Corn research involving protein quality, disease resistance, and breeding methodology; Utilizing agro-meteorology as a basis for the design and development of cropping systems for the marginal rainfall areas of East Africa; Sugar cane research focusing on problems connected with varietal adaptability tests, diseases, and agronomic techniques; Continued support for the Plant Quarantine Station for East Africa.

EAST AFRICA REGIONAL

3. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	.6	1.1	.2	1.0
AID loans	-	-	-	-
AID grants	.6	1.1	.2	1.0
AID other	-	-	-	-
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total Aid	.6	1.1	.2	1.0
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	-	-	-	-
Total U.S. Economic Assistance	.6	1.1	.2	1.0

SOUTHERN AFRICA

1. Principal U.S. Interests

In recent years the AID program for Southern Africa has covered the five countries of Botswana, Lesotho, Swaziland, Malawi and Zambia. With all five countries sharing a number of common characteristics, the AID assistance has been concentrated in areas of agriculture, health, nutrition, and human resources development.

Developments of the last two years in Southern Africa have brought about a new U.S. focus in the region. The probable transition to majority rule in Namibia (South West Africa) and Zimbabwe (Rhodesia) during the 1977-78 period will, among other things, undoubtedly result in human resource problems, the need for assistance to maintain public services, and possibly balance of payments support.

The U.S. has adopted a policy to support the right of self determination, assist the countries in establishing the foundations for economic growth, and maintain political stability free of great power rivalry or interference.

2. Program Strategy and Content

The populations of the countries under the present Southern Africa program are predominantly rural agrarian and depend largely upon subsistence agriculture. There are critical manpower constraints, ill-adapted educational systems, poor health services, and high rates of population growth.

Much of the unskilled and semi-skilled male labor force, particularly in the case of Lesotho and Malawi, is employed in the mines of South Africa. All five countries are land-locked, hence are heavily dependent on neighboring countries for access to the outside world. Developments in Mozambique, Angola, Zimbabwe (Rhodesia) and Namibia (South West Africa), will have far-reaching effect on the economic and political development of the other five countries.

The level of U.S. assistance for the past several years has averaged approximately $1 million each annually for Botswana, Lesotho and Swaziland for projects in rural development, Range and Livestock, land conservation and water resources, improved crop production, maternal and child health and family planning, and primary curriculum development. Additionally, Lesotho has received about $2.5 million annually in Food for Peace.

From 1973 to 1976, assistance to Zambia has been limited to a $5 million program loan to help the country resolve its transportation problems resulting from the emergency caused by the closure of the

Rhodesian border. In the case of Malawi, AID is providing assistance to the development of the Bunda College of Agriculture at a projected total U.S. contribution of $4 million from 1976 through 1980.

Botswana, whose survival depends on the normal operation of the existing transport routes between Zimbabwe and South Africa, faces the economic uncertainties which will evolve from the political developments in the neighboring countries.

Zambia, whose economy has been sustained in the past by its copper resources, is now confronted with a serious balance of payments problem resulting from the drop in copper prices on the world market and the closing of its main transport routes through Zimbabwe and Angola.

Lesotho and Malawi have large percentages of their adult population working in the mines of South Africa. If economic or political development in the Republic were to cause these migrant workers to return to their countries, there would undoubtedly be severe repercussions in these two countries whose economies cannot sustain an increased number of unemployed.

Swaziland is perhaps better off economically than the other countries in the region; but its future stability depends on political developments in Mozambique and South Africa on which it has to rely for routes to the outside world.

AID assistance to Southern Africa is being expanded to reflect both present needs and contingency plans. Accordingly, for Fiscal Year 1977 Congress has authorized $54 million under Security Supporting Assistance. These funds include a $20 million program loan for Zambia to help the country with its critical balance of payments problem; $10 million for Botswana for ongoing development projects and transportation needs--including $8.3 million in loans. Four million dollars has also been authorized to expand the training program for Southern Africans, to provide training opportunities for blacks from South Africa, Zimbabwe and Namibia.

3. Basic Data - OSARAC

	Botswana	Lesotho	Swaziland
Population (millions mid 1975)	0.6	1.0	0.5
Annual Growth Rate (percent)	1.8	2.2	3.1
Population in Urban Areas (Percent - 1975)	11	3	14
Labor Force in Agriculture (percent)	91	89	82
Per Capita GNP (dollars - 1973)*	240	120	300
Life Expectancy (years)	56	46	44
People per Doctor	15,900	21,400	7,200
Literacy Rate (percent)	20	59	36
Students as % of 5-19 Age Group (Primary and Secondary)	37	52	53

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	5.1	3.9	1.3	5.2
AID loans	1.0	-	-	-
AID grants	4.1	3.9	1.3	5.2
AID other	-	-	-	-
Security Supporting Assistance	-	-	-	14.0
AID loans	-	-	-	10.0
AID grants	-	-	-	4.0
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	5.1	3.9	1.3	19.2
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	7.0	6.9	1.5	7.1
Total U.S. Economic Assistance	12.1	10.8	2.8	26.3

*Estimate in IBRD 1975 Annual Report

3. Basic Data - MALAWI

Population (millions mid 1975)	5.0
Annual Growth Rate (percent)	2.3
Population in Urban Areas (Percent - 1975)	6
Labor Force in Agriculture (percent)	88
Per Capita GNP (dollars - 1973)*	110
Life Expectancy (years)	41
People per Doctor	38,100
Literacy Rate (percent)	22
Students as % of 5-19 Age Group (Primary and Secondary)	23

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	.1	1.4	-	.8
AID loans	-	-	-	-
AID grants	.1	1.4	-	.8
AID other	-	-	-	-
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	-	-	-	-
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	.4	.3	-	.8
Total U.S. Economic Assistance	.5	1.7	-	1.6

*Estimate in IBRD 1975 Annual Report

3. Basic Data - ZAMBIA

Population (millions mid 1975)	4.9
Annual Growth Rate (percent)	3.1
Population in Urban Areas (Percent - 1975)	37
Labor Force in Agriculture (percent)	69
Per Capita GNP (dollars - 1973)*	390
Life Expectancy (years)	46
People per Doctor	14,000
Literacy Rate (percent)	15-20
Students as % of 5-19 Age Group (Primary and Secondary)	50

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Security Supporting Assistance	-	-	-	20.0
AID loans	-	-	-	20.0
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	-	-	-	20.0
Public Law 480, Title I	-	1.6	-	5.0
Public Law 480, Title II	.2	.1	-	.2
Total U.S. Economic Assistance	.2	1.7	-	25.2

*Estimate in IBRD 1975 Annual Report

CAMEROON

1. Principal U.S. Interests

It is in the U.S. interest that Cameroon consolidate its national unity and continue to advance its economic and social development under moderate leadership while expanding its exemplary leadership role in Central Africa, African and non-aligned world circles. It is important that Cameroon remain open to U.S. exports and U.S. investment in its mineral resources and that it support U.S. views in international forums.

2. Program Strategy and Content

Cameroon with its agriculturally based economy is relatively well off in the context of Africa but still poor by world standards. It is making a determined effort to achieve self-sustaining growth and from 1967 to 1971 gross domestic product rose about 8% annually in real terms. Recent growth has been moderated by a decline in world agriculture prices and an increase in oil prices. The present economy is based on the production and export of agricultural commodities, principally cocoa, coffee and to a lesser extent hardwoods, rubber, and cotton. Development hopes and efforts focus realistically on increasing production of both food and export crops.

While U.S. assistance to Cameroon (currently at about $3 million per year) is well below that of France and the Common Market, it is nonetheless keyed to the Cameroonian development plan. It is aimed at reducing regional income disparities, developing human resources by adapting the education system to national realities and assuring both preventive and curative medical services to all Cameroonians. Within this overall strategy major on-going U.S. projects in the current year's program are as follows: North Cameroon Seed Multiplication provides improved seeds to small farmers in North Cameroon; National Advanced School of Agriculture is establishing an academic program in agricultural economics; University Center for Health Sciences is strengthening an institution to train doctors, nurses and paramedical staff for work in rural areas; Pan African Institute for Development is training middle level government personnel in rural development; Cameroon Low Income Housing provides technical assistance to develop and implement housing programs for low income groups. The U.S. assistance program to Cameroon is currently undergoing a modest expansion. A $2 million project for practical training in health education was just approved and implementation will begin in FY 1977. In addition a project for livestock and agriculture development in North Cameroon is in the advanced planning stage.

3. Basic Data - Cameroon

Population (millions mid 1975)	6.4
Annual Growth Rate (percent)	1.9
Population in Urban Areas (Percent - 1975)	24
Labor Force in Agriculture (percent)	82
Per Capita GNP (dollars - 1973)*	220
Life Expectancy (years)	41
People per Doctor	26,400
Literacy Rate (percent)	10-15
Students as % of 5-19 Age Group (Primary and Secondary)	49

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	1.0	2.2	.2	3.3
AID loans	.8	-	-	-
AID grants	.2	2.2	.2	3.3
AID other	-	-	-	-
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	1.0	2.2	.2	3.3
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	.7	1.2	.1	2.0
Total U.S. Economic Assistance	1.7	3.4	.3	5.3

*Estimate in IBRD 1975 Annual Report

PORTUGUESE-SPEAKING AFRICA

1. Principal U.S. Interest

The principal direct U.S. interest in the five former Portuguese colonies in Africa - Guinea-Bissau, Cape Verde, Sao Tome and Principe, Mozambique, and Angola - is a humanitarian one responding to the critical needs of these countries in the immediate post-independence period. Indirectly we hope to demonstrate to other African states by our response on this situation, our willingness and desire to support majority rule and an end to colonism on the continent. Further in the case of Mozambique and Angola internal political and economic stability and a willingness to accept a moderate approach toward peaceful progression to majority rule in southern Africa may well be critical to the success of our policy in that area of the world.

2. Program Strategy and Content

Cape Verde

In FY 1974 Congress authorized the use of $10,000,000 to provide economic assistance to the Portuguese colonies in Africa gaining independence. Of this amount $5 million was earmarked and obligated for the Cape Verde Islands.

We have strong historical and ethnic ties with the Cape Verde Islands as there are more Cape Verdians residing in the Northeast part of the U.S. than live on Cape Verde. The country's independence followed ten years of drought during which time many Americans of Cape Verdian descent supported the people on the Islands. With independence there was a strong request for the U.S. Government to assist.

The first thrust of the development strategy was to provide food and put people to doing productive work in soil and water conservation. Since persons on the waterless islands of Sal and Sao Vicente suffered from decrepit desalination plants, the Government had an urgent need to provide potable water. With these urgent short-term requirements provided for, the Government of Cape Verde and we are turning toward analysis of agricultural investment requirements beginning with investigation of a sizeable irrigation activity. Development of food crops must continue to receive emphasis to reduce the islands dependence on imports.

Guinea-Bissau

This country is receiving assistance in almost every sector from

various donors. A.I.D. was asked to provide equipment in the area of land reclamation, food storage and agricultural laboratories. A Sector Strategy is planned during the next year to determine the best areas for future assistance. A.I.D. is also assisting with teacher training to provide teachers to expand the school system and to upgrade the present teaching system.

Angola

Angola is rich in mineral resources of all kinds and could serve as a bread basket for extensive agricultural development of food grains and livestock. Its low population gave it the third highest per capita income in Africa. It is important for the U.S. to establish close economic ties with this vast country which already is a source for a number of U.S. imports such as oil, coffee and diamonds.

We do not have diplomatic relations with Angola and no direct assistance has been provided. Disaster and humanitarian assistance funds have provided for relief to persons affected by the civil war.

Mozambique

Mozambique is much poorer and has less of a resource base than Angola but it is a potentially wealthy country. Its importance stems largely from its tremendous influence in the solution to the whole Southern African situation.

U.S. assistance was provided in response to a March 1976 appeal from the UN to assist Mozambique in overcoming the effect of sanctions against Rhodesia. The loss in revenue from transshipments created a severe balance of payments problem. PL-480 food and a $10 million program grant will provide scarce foreign exchange; the local currencies generated will be used for rural development, agriculture, or water supply.

Sao Tome/Principe

We do not plan a bilateral assistance program but we are attempting to encourage a private voluntary agency to become involved in a crop diversification project with A.I.D. assistance.

3. Basic Data - ANGOLA, CAPE VERDE ISLANDS, GUINEA-BISSAU MOZAMBIQUE, SAO TOME and PRINCIPE

Population

Country	Total (mid 1975 millions)	% Annual Growth Rate	% Urban (1975)	% Labor Force in Agriculture
Angola	6.5	2.2	18	64
Cape Verde Islands	.3	2.4	6	40
Guinea-Bissau	.5	1.4	23	86
Mozambique	9.1	2.3	6	72
Sao Tome and Principe	.1	1.4	16	n/a

Economic and Social Data

Country	Per Capita GNP - 1973* (dollars)	Life Expectancy (years)	People per Doctor	Literacy Rate %	Students as % of 5-19 Age Growth (Prim. & Second.)
Angola	490	37	11,100	10-15	25
Cape Verde Islands	340	50	19,300	34	40
Guinea-Bissau	330	38	18,300	25	16
Mozambique	380	44	16,300	7	19
Sao Tome and Principe	470	54	4,200	n/a	47

*Estimate in IBRD 1975 Annual Report

4. Program Levels - Portuguese-Speaking Africa

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	5.4	2.9	10.4	4.9
AID loans	-	-	-	-
AID grants	-	-	10.0	-
Portugal and Portuguese Colonies in Africa*	5.4	2.9	.4	1.3
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total Aid	5.4	2.9	10.4	4.9
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	.1	5.4	.1	1.3
Total U.S. Economic Assistance	5.5	8.3	10.5	6.2

*Special funds provided pursuant to Section 496 of the Foreign Assistance Act of 1961, as amended.

GHANA

1. Principal U.S. Interests

Ghana was the first Black African country to achieve independence after World War II, which gives it a political and symbolic imporance within Africa. It also has significant amounts of U.S. investment ($200 million). The major U.S. interest in Ghana is assisting in the development of a stable, pro-western, moderate Ghana that supports U.S. views on multilateral issues and provides a business climate favorable to U.S. investment and trade.

2. Program Strategy and Content

Ghana is currently experiencing economic problems. General stagnation accompanied by inflation, unstable cocoa prices, a worsening balance of payments situation, increasing prices for imports especially petroleum, and a rapidly growing population characterize the Ghanaian economy. In the face of this Ghana has maintained a steady rate of per capita income (in real terms) and has increased agricultural production. The current Government has moved to improve the prospects for development. A new development plan has been issued which emphasizes support to agriculture, overcoming of institutional and financial constraints and the promotion of more equitable distribution of benefits.

The A.I.D. financed program is designed to assist the Government of Ghana (GOG) to achieve these goals. We are emphasizing programs which are: improving the capacity of key Ghanaian institutions to manage development programs; developing a coordinated, nationwide program for delivery of agricultural inputs and services to small farmers; and helping in expanding the health, nutrition and family planning services provided to the rural areas.

The major sectoral emphasis of the A.I.D. program is a three pronged effort in agriculture. The first prong is to deliver to small holder farmers the essentials for successful production, i.e., credit, fertilizer, seeds, extension, and marketing. Secondly, working through private and voluntary organizations, we plan to stimulate the growth of small rural and agro industries and to develop farmer associations and agricultural service organizations. Thirdly, we are seeking to improve planning, coordination, and management at the District level by working with the District councils in training local managers.

Within the Health/Family Planning sector we are working with the Ministry of Health to establish a planning unit; we are conducting training in health planning and management; and we are supporting an integrated health delivery project which it is hoped will serve as a model for the establishment of rural health care delivery throughout Ghana.

3. Basic Data - Ghana

Population (millions mid 1975)	9.9
Annual Growth Rate (percent)	2.8
Population in Urban Areas (Percent - 1975)	33
Labor Force in Agriculture (percent)	55
Per Capita GNP (dollars - 1973)*	300
Life Expectancy (years)	44
People per Doctor	10,500
Literacy Rate (percent)	25
Students as % of 5-19 Age Group (Primary and Secondary)	43

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	2.9	11.9	2.4	5.2
AID loans	-	10.0	-	-
AID grants	2.4	1.9	2.4	4.7
African Drought Assistance**	.5	-	-	.5
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	2.9	11.9	2.4	5.2
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	2.8	4.9	.6	4.8
Total U.S. Economic Assistance	5.7	16.8	3.0	10.0

*Estimate in IBRD 1975 Annual Report
**Special funds provided pursuant to Foreign Disaster Assistance Act of 1974.

LIBERIA

1. Principal U.S. Interests

U.S. policies and programs in Liberia are predicated on a "special relationship" of historical, psychological and economic ties. The U.S. has access to the operation of communication facilities in the country. The U.S. is the largest supplier of Liberian imports and the major customer for its exports. American business enjoys favorable treatment. U.S. investments in iron mining, rubber, palm oil, light manufactures, banking, insurance, oil refining, construction and wholesale/retail trades exceed $500 million.

2. Program Strategy and Content

Liberian support for U.S. policies is accompanied by U.S. willingness to assist Liberian development, manifested by a visit in September from President Tolbert to the U.S. The U.S. has long been Liberia's major donor: $230 million in grant and loan assistance since 1950, mostly infrastructure.

President Tolbert's new four-year plan and new priorities are designed to benefit the rural poor through increased agricultural productivity, up-grading education and the development of human resources. The World Bank, the European Community, and the U.S. will be the major donors. During his State visit, President Tolbert was informed by President Ford that U.S. assistance in 1977-78 will more than double that of the previous two years.

A.I.D. programs address major obstacles to development of the traditional economy and consequent improvement in village life. Large, integrated, production-oriented area development projects provide small farmers with improved access to agricultural credit, markets and other supporting services. Farm-to-market roads are being expanded. Ministries' capabilities to analyze and plan comprehensive rural development are being enhanced. Programs to develop agricultural cooperatives and research are under design. An American planning team is helping design and implement a national rural health delivery system including preventive care, nutrition and family planning services which will replicate a major A.I.D. county health project. Other A.I.D. projects are improving the public administration structure and trained manpower resources to manage Liberia's development programs. Under an earlier loan, the U.S. is financing the expansion of Liberia's telecommunications system. The most promising target for U.S. assistance, rural manpower development, is under review.

3. Basic Data - Liberia

Population (millions mid 1975)	1.6
Annual Growth Rate (percent)	3.2
Population in Urban Areas (Percent - 1975)	15
Labor Force in Agriculture (percent)	74
Per Capita GNP (dollars - 1973)*	330
Life Expectancy (years)	45
People per Doctor	12,700
Literacy Rate (percent)	10
Students as % of 5-19 Age Group (Primary and Secondary)	24

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	12.0	2.9	.6	20.0
AID loans	9.0	-	-	14.5
AID grants	3.0	2.9	.6	5.5
AID other	-	-	-	-
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	12.0	2.9	.6	20.0
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	1.1	.5	.1	.4
Total U.S. Economic Assistance	13.1	3.4	.7	20.4

*Estimate in IBRD 1975 Annual Report

SIERRA LEONE

1. Principal U.S. Interests

U.S. interests in Sierra Leone are primarily humanitarian.

2. Program Strategy and Content

Sierra Leone is currently in the midst of an economic crisis brought about in large part by a serious deterioration in its terms of trade and questionable fiscal and monetary policies. A downturn in the diamond and iron mining industries, its major income earners, and high prices for essential commodities such as petroleum are major factors. Consultations with the IMF are in process and rescheduling of external debt may be in prospect.

While Sierra Leone is not designated by the United Nations as one of the Relatively Least Developed Countries in the world, it has an annual per capit income of less than $200. Its 3.0 million population is heavily dependent on agriculture. Sierra Leone receives substantial assistance from the UNDP, the EEC, UK, IBRD, West Germany and China. Most of this consists of technical assistance in agriculture/rural development, health and education.

Since the termination of regular bilateral programs in 1968, A.I.D. assistance has been limited to special Self-Help activities, a PL 480 Title II program, and participation by Sierra Leone in some regional programs. In FY 1975, a $0.6 million grant to CARE was approved to help construct 900 miles of feeder roads as part of A.I.D.'s increasing use of private and voluntary organizations as implementing agents.

In October 1975, the Administrator authorized resumption effective in FY 1977 of bilateral assistance to Sierra Leone. The initial year will see a program of new aid projects of approximately $0.4 million plus a continuation of PL 480, Title II Food for Peace, which will bring the total to about $3 million. Although the government has limited capacity to plan and implement programs, it gives high priority to rural development. Our recently completed analysis of Sierra Leone's development requirements recommends a primary concentration of our program in agriculture/rural development with population/health as a secondary emphasis. The proposed bilateral assistance program for FY 1977 is aimed at improving Government planning and research to increase the income and well-being of the small farmer through greater production in the food crop and livestock subsectors.

3. Basic Data - Sierra Leone

Population (millions mid 1975)	3.0
Annual Growth Rate (percent)	2.4
Population in Urban Areas (Percent - 1975)	15
Labor Force in Agriculture (percent)	75
Per Capita GNP (dollars - 1973)*	190
Life Expectancy (years)	44
People per Doctor	17,800
Literacy Rate (percent)	10
Students as % of 5-19 Age Group (Primary and Secondary)	27

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	.6	-	-	.4
AID loans	-	-	-	-
AID grants	.6	-	-	.4
AID other	-	-	-	-
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	.6	-	-	.4
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	2.2	4.3	.8	2.7
Total U.S. Economic Assistance	2.8	4.3	.8	3.1

*Estimate in IBRD 1975 Annual Report

ENTENTE STATES

Program Strategy and Content

In June 1966, a Convention creating the Mutual Aid and Loan Guaranty Fund of the Council of the Entente was signed by the Ivory Coast, Upper Volta, Niger, Togo and Benin. The primary purpose of the Entente Fund is to guarantee economic developments loans in the public, quasi-public, and private sectors. The Fund has become the catalyst for the coordination of economic and social development in the Entente region.

Agency for International Development assistance to the Entente Fund is premised on encouraging development in key sector areas that transcend national boundaries and promote regional coordination. Projects developed under the joint auspices of A.I.D. and the Fund share three characteristics:

-- development loan and/or capital grant funding for sub-project implementation;

-- complementary technical assistance to the Entente Fund and appropriate national institutions to build up their capacities in program planning, sub-project design, management and evaluation, in order;

-- to increase the production and income of key producers in the Entente States, i.e., small farmers and herders, small to medium-sized entrepreneurs.

The major programs with the Entente Fund are:

-- Entente Livestock (under which slaughterhouses, breeding ranches, and forage seed farms are being developed),

-- African Enterprises program (under which African development institutions are providing sub-loan funds and technical assistance to small to medium-sized entrepreneurs),

-- The Regional Road Maintenance Training Center (through which over 1,200 Africans have been trained),

-- Entente Food Production which provides sub-loans to small farmers to increase agricultural production.

FRANCOPHONE WEST AFRICA REGIONAL

Program Levels

	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
	($ millions)			
Development Assistance	19.1	14.6	7.1	1.3
AID loans	15.0	12.5	-	-
AID grants	2.9	2.0	7.1	1.3
African Drought Assistance*	1.2	.1	-	-
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	19.1	14.6	7.1	1.3
Public Law 480, Title I	8.6	5.4	-	7.8
Public Law 480, Title II	6.7	4.5	1.0	3.9
Total U.S. Economic Assistance	34.4	24.5	8.1	13.0

*Special funds provided pursuant to Foreign Disaster Assistance Act of 1974.

GUINEA

1. Principal U.S. Interests

U.S. interests in Guinea are extremely limited. We are attempting to help Guinea develop her considerable agricultural potential to enable her to cut down on her food imports.

2. Program Strategy and Content

The U.S. aid program in Guinea is a modest one. The only current U.S. assistance project is in Agricultural Production and Training (total cost approximately $5 million). Thus project will assist the Government of Guinea in the development and strengthening of its two major agricultural institutions and will aid in the development of a model farm to serve as a demonstration center. These projects are expected to provide a basic framework for the Government of Guinea in incorporating applied research demonstrations and practical training in agricultural development.

NIGERIA

1. Principal U.S. Interests

The primary political and economic interests of the U.S. in Nigeria is the maintenance of relationships which will assure continued access to that country's important energy resources and to its expanding market for U.S. goods. At the same time, we are anxious to help Nigeria develop its own economy so that the living conditions of a large percentage of the nearly 80 million inhabitants are effectively improved.

Nigeria is one of the leading suppliers of crude oil to the U.S. (about 17 percent of our total imports), and in turn is importing an increased volume of U.S. goods and services. During the next five years the Nigerian Government is planning to spend nearly $32 billion on economic development. Much of the technology, machinery and training needed for that development can be supplied from the U.S. A favorable political climate will help assure U.S. traders and investors equitable participation in the Nigerian market.

Nigeria's position of influence in Africa and in the Third World is another important consideration when discussing U.S./Nigerian relationships. It should be recalled that one of every four Africans is a Nigerian, that Nigeria's GDP in 1974 was equal to that of the rest of Black Africa combined, and that, Nigeria has Black Africa's largest, best trained and best-equipped army. Nigeria plays an important and responsible role in various world and regional forums.

2. Program Strategy and Content

The United States has assisted Nigeria's economic development since 1954. At one time it was the largest A.I.D. program in Africa. Since the end of the Nigerian civil war and most notably in the past three years, the country's foreign assistance needs have changed. Nigeria has enjoyed a spectacular increase in oil revenues, realizing large surpluses in its balance of payments. Since it is now able to finance the costs of its own development, our concessional assistance program was phased out with FY 1975 funding. The A.I.D. Mission in Nigeria was recently disbanded and only a few technical assistance projects remain to be terminated.

With the phasing out of the A.I.D. bilateral concessional assistance program, A.I.D. emphasis has been shifted to a new assistance relationship. A.I.D. has a program to make available, on a reimbursable basis, the U.S. technology Nigeria desires. A.I.D. uses its resources and experience to facilitate Nigeria's access to the U.S. market for this development assistance (technicians, technical services, commodities), both private and public.

AFRICA REGIONAL

Program Strategy and Content

The Africa Regional program consists of five main strategies or "thrusts" which complement and support national development programs. It also provides A.I.D. missions with opportunities to experiment with pilot activities on a quick response basis and other efforts in support of bilateral program strategies; and is a vehicle through which U.S. institutions, including private voluntary organizations (PVOs), can undertake multi-country activities. Emphasis is on development of rural populations, and other international donors are encouraged to participate.

The "thrusts" are designed to: First, stimulate and promote food crop production through farmer credit programs, basic and applied research, and field trials and research and production training in rice, sorghum, millet, maize, cowpeas, and groundnuts. Second, provide training for selected African personnel who are responsible for the design and implementation of a wide range of rural programs. Third, encourage rural development through introduction of low cost intermediate technologies. Fourth, combat health constraints on rural production through applied research and operational programs concerned with the control/eradication of onchocerciasis, smallpox, schistosomiasis, and trypanosmiasis. Fifth, assist African regional and U.S. private organizations including PVOs to conduct programs in agriculture, health, human resource training, trade union education, and research and development of remote sensing and energy activities.

A statement of policy in the Foreign Assistance Act, Section 102 indicates that A.I.D. should "encourage regional cooperation by less developed countries in the solution of common problems and the development of shared resources." The new Section 106 authorizes assistance to "programs of technical cooperation and development, particularly the development of efforts...regional and international development organizations" and "programs of research into, and evaluation of, the process of economic development..." The Regional program addresses these imperatives through assistance to such organizations as the African Development Bank, the United Nations Economic Commission for Africa, and the Association for the Advancement of Agricultural Sciences in Africa, all of which are working with A.I.D. to increase focus on activities related to the rural sector.

In addition, another major element of the program is the Program Development and Support Project which provides funds for feasibility studies, evaluations, and other selected efforts in support of both bilateral and regional programs.

OTHER PROGRAMS

Program Strategy and Content

In addition to the Regional Program and other bilateral programs, bilateral economic assistance is also extended to other countries where there is no regular A.I.D. activities. These countries are primarily recipients of PL480 Title II assistance and include Mauritius, the Seychelles, and Malagasy. Also within the totals shown for other programs, there is $.2 million A.I.D. grant in FY76 for Sudan which represents a grant to private voluntary organization and a $.6 million grant in FY 1975 for drought assistance to Somalia.

AFRICA REGIONAL

Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	13.9	24.7	5.8	35.2
AID loans	-	3.9	-	-
AID grants	13.9	24.7	5.8	35.2
AID other	-	-	-	-
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total Aid	13.9	24.7	5.8	35.2
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	-	-	-	-
Total U.S. Economic Assistance	13.9	24.7	5.8	35.2

OTHER PROGRAMS

Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	.6	.2	-	-
AID loans	-	-	-	-
AID grants	-	.2	-	-
African Drought Assistance*	.6	-	-	-
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total Aid	.6	.2	-	-
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	16.4	7.0	1.2	9.3
Total U.S. Economic Assistance	17.0	7.2	1.2	9.3

*Special funds provided pursuant to Foreign Disaster Assistance Act of 1974.

SAHEL REGIONAL

1. Principal U.S. Interests

The Sahel Regional Program in Africa deals with Senegal, Mauritania, Mali, Niger, Upper Volta, and Chad. There are basic reasons for the U.S. interest in participating in the development of the Sahel. Among these are:

-- the historic ties of many Americans to Africa;

-- humanitarian concerns;

-- the threat to peace caused by widespread poverty and lack of economic progress.

2. Program Strategy and Content

The six Sahelian countries are among the poorest in the world. Five of them have per capita GNPs of less than $200 per annum, and all six are listed by the United Nations as being among the most severely affected by the fuel and food cost increases of the past few years.

Out of every 100 infants born in the Region, at least 20 die before their first birthday; life expectancy is less than 40 years - compared to 53 years in the rest of the developing world and 71 years in the United States; less than 10 percent of the population is literate and fewer than 15 percent of children in the 5 to 19 age group are students; almost 90 percent of the labor force is in agriculture; population is increasing at a rate in excess of 2.3 percent per annum; each physician serves 30,000 people, almost 10 times the developing world average; and drought and its after effects have made many marginal areas even less productive than in the past.

The Region is characterized by a large minority of highly nomadic peoples whose main livelihood is tending livestock - the recent drought, however, decimated their herds, creating new pressures on the central governments to provide both assistance to the stricken peoples and develop programs to improve the Region's abilities to withstand the effect of drought and increase development in the future.

The drought brought to worldwide attention the sensitive interrelationships in the Sahel between the factors of food production and the interdependence between the inland states and their coastal neighbors for the use of the major river systems, transport, markets, and food and labor. The international donor community accepted the African expressed need for a regional approach to the development of the region. Both donors and Africans reached the following conclusions:

1. in order to avoid excessively costly rescue and relief programs in the Sahel in the future, the Sahel must be transformed and made more productive;

2. given the underutilized resources of the Region - both in potential for increased productivity of dry land farming and in the long-term development of the major river basins - such a transformation of the Region's productive capacities is possible, provided enough international donor assistance is forthcoming.

The international donor community, working hand-in-hand with the drought stricken states of the Sahel, has organized the Club des Amis du Sahel. This international donor/recipient consortium is working on programs to meet the Region's pressing economic, social, and technical needs. Development programs for the Sahel over the next decade will approach $10 billion, with the goal of food self-sufficiency by 1990, and economic self-sufficiency by 2000. The U.S. portion of the international development assistance plan for the Sahel over the next seven to ten years, under the Club des Amis program, may cost about $1 billion. Our assistance will be focused on seven target areas: food production, with emphasis on drought-resistant production systems; river basin development, to include indicative planning and systematic soil and water data collection activities; livestock production and marketing, concentrating on greater commercialization of existing herds and upgrading of rangeland; rural transportation, to develop adequate networks of rural access and marketing roads in the Sahel; major disease control, including an intensive low-cost national approach to nutrition and the region-wide problem of a burgeoning population; environmental rehabilitation, particularly in land use planning, improved agrometeorology by satellite, reforestation, and disertification control; and human resources development, focusing on absorptive capacity and participation in development at the grassroots level.

SAHELIAN AFRICA REGIONAL

Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	8.5	9.8	3.7	21.1
AID loans	-	-	-	4.0
AID grants	2.5	3.7	2.9	14.6
African Drought Assistance*	6.0	6.1	.8	2.5
African Development Program	-	-	5.0	-
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	8.5	9.8	3.7	21.1
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	-	-	-	-
Total U.S. Economic Assistance	8.5	9.8	3.7	21.1

*Special funds provided pursuant to Foreign Disaster Assistance Act of 1974.

3. Basic Data - Chad

Population (millions mid 1975)	4.0
Annual Growth Rate (percent)	2.0
Population in Urban Areas (Percent - 1975)	14
Labor Force in Agriculture (percent)	91
Per Capita GNP (dollars - 1973)*	70
Life Expectancy (years)	38
People per Doctor	64,800
Literacy Rate (percent)	5-10
Students as % of 5-19 Age Group (Primary and Secondary)	14

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	3.8	.7	2.1	4.6
AID loans	-	-	-	-
AID grants	-	.7	-	2.8
African Drought Assistance**	3.8	-	2.1	1.8
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	3.8	.7	2.1	4.6
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	.3	.4	.1	1.2
Total U.S. Economic Assistance	4.1	1.1	2.2	5.8

*Estimate in IBRD 1975 Annual Report
**Special funds provided pursuant to Foreign Disaster Assistance Act of 1974.

3. Basic Data - Mauritania

Population (millions mid 1975)	1.2
Annual Growth Rate (percent)	2.1
Population in Urban Areas (Percent - 1975)	11
Labor Force in Agriculture (percent)	85
Per Capita GNP (dollars - 1973)*	190
Life Expectancy (years)	38
People per Doctor	17,600
Literacy Rate (percent)	1-5
Students as % of 5-19 Age Group (Primary and Secondary)	10

4. Program Levels

($ millions)

	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance				
AID loans	1.7	.3	.3	.5
AID grants	-	-	-	-
African Drought Assistance**	-	-	-	.5
Security Supporting Assistance	1.7	.3	.3	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	-	-	-	-
Public Law 480, Title I	1.7	.3	.3	.5
Public Law 480, Title II	-	-	-	-
Total U.S. Economic Assistance	2.4	3.4	-	1.7
	4.1	3.7	.3	2.2

*Estimate in IBRD 1975 Annual Report
**Special funds provided pursuant to Foreign Disaster Assistance Act of 1974.

3. Basic Data - Mali

Population (millions mid 1975)	5.6
Annual Growth Rate (percent)	2.3
Population in Urban Areas (Percent - 1975)	13
Labor Force in Agriculture (percent)	91
Per Capita GNP (dollars - 1973)*	70
Life Expectancy (years)	38
People per Doctor	39,600
Literacy Rate (percent)	5
Students as % of 5-19 Age Group (Primary and Secondary)	12

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	13.3	2.7	.8	7.9
AID loans	-	-	-	-
AID grants	-	.7	.4	6.7
African Drought Assistance**	13.3	2.0	.4	1.2
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	13.3	2.7	.8	7.9
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	8.9	.1	.1	.5
Total U.S. Economic Assistance	22.2	2.8	.9	8.4

*Estimate in IBRD 1975 Annual Report
**Special funds provided pursuant to Foreign Disaster Assistance Act of 1974.

3. Basic Data - Niger

Population (millions mid 1975)	4.6
Annual Growth Rate (percent)	2.8
Population in Urban Areas (Percent - 1975)	9
Labor Force in Agriculture (percent)	91
Per Capita GNP (dollars - 1973)*	90
Life Expectancy (years)	38
People per Doctor	42,100
Literacy Rate (percent)	5
Students as % of 5-19 Age Group (Primary and Secondary)	7

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	.1	6.0	.4	4.6
AID loans	-	-	-	-
AID grants	-	.1	-	3.6
African Drought Assistance**	.1	5.9	.4	1.0
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	.1	6.0	.4	4.6
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	7.8	2.6	.2	.6
Total U.S. Economic Assistance	7.9	8.6	.6	5.2

*Estimate in IBRD 1975 Annual Report
**Special funds provided pursuant to Foreign Disaster Assistance Act of 1974.

3. Basic Data - Senegal

Population (millions mid 1975)	4.4
Annual Growth Rate (percent)	2.5
Population in Urban Areas (Percent - 1975)	2.8
Labor Force in Agriculture (percent)	76
Per Capita GNP (dollars - 1973)*	270
Life Expectancy (years)	40
People per Doctor	14,300
Literacy Rate (percent)	5-10
Students as % of 5-19 Age Group (Primary and Secondary)	25

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	6.2	1.0	.3	7.7
AID loans	-	-	-	3.6
AID grants	-	-	-	4.0
African Drought Assistance**	6.2	1.0	.3	.1
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	6.2	1.0	.3	7.7
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	2.1	2.0	.4	2.8
Total U.S. Economic Assistance	8.3	3.0	.7	10.5

*Estimate in IBRD 1975 Annual Report
**Special funds provided pursuant to Foreign Disaster Assistance Act of 1974.

3. Basic Data - Upper Volta

Population (millions mid 1975)	6.0
Annual Growth Rate (percent)	2.0
Population in Urban Areas (Percent - 1975)	8
Labor Force in Agriculture (percent)	89
Per Capita GNP (dollars - 1973)*	70
Life Expectancy (years)	29
People per Doctor	59,600
Literacy Rate (percent)	5-10
Students as % of 5-19 Age Group (Primary and Secondary)	7

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimate
Development Assistance	5.2	1.3	.3	2.8
AID loans	-	-	-	-
AID grants	-	.8	-	2.7
African Drought Assistance**	5.2	.5	.3	.1
Security Supporting Assistance	-	-	-	-
AID loans	-	-	-	-
AID grants	-	-	-	-
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
Sub-Total, AID	5.2	1.3	.3	2.8
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	3.6	3.1	.4	2.9
Total U.S. Economic Assistance	8.8	4.4	.7	5.7

*Estimate in IBRD 1975 Annual Report
**Special funds provided pursuant to Foreign Disaster Assistance Act of 1974.

BANGLADESH

1. Principal U.S. Interests

The United States' limited political interests in Bangladesh recognize the fragility of its present stability and the implications for stability on the subcontinent as a whole. The primary U.S. objective in Bangladesh is humanitarian.

2. Program Strategy and Content

With a population of more than 82 million growing at a rate of 3 percent and a per capita Gross Domestic Product of $100 in 1974, Bangladesh is one of the poorest and least developed countries. It is, furthermore, particularly prone to natural disasters, which tend to have a devastating impact on its stagnating subsistence economy. It has limited capacity to plan and implement development programs.

The major problem it faces is the grim Malthusian reality of a population increasing at 3 percent, while foodgrain production increases at approximately one percent per year. Per capita Gross Domestic Product in constant prices remains lower than before independence. Landlessness is increasing. Foodgrain prices are not high enough to give farmers incentives to use improved inputs.

Good harvests over the past two years have given the Bangladesh Government a breathing space to tackle its longer run problems. Beginning in May 1975, it implemented fiscal and monetary reforms, which brought inflation to a halt. The Bangladesh Government has also made several major statements stressing agricultural development and population control.

The A.I.D. strategy in Bangladesh is focused on and limited to the Food/Population equation. The largest share of U.S. assistance is directed to increasing agricultural productivity, with emphasis on creating employment opportunities. Food assistance under P.L. 480 Title I contributes to eventual establishment of a national food reserve system and price support policies. P.L. 480 Title II foodgrains are used for employment generating food for work programs.

In population, A.I.D. programs assist the Bangladesh Government's efforts to control population growth by providing contraceptives, funding reasearch on methods of providing family planning services, and training family planning workers.

At present Bangladesh receives some $1 billion annually, in gross aid commitments from the donor community.

3. Basic Data - Bangladesh

Population (millions-mid 1975)	80.6
Annual Growth Rate (percent)	2.7
Population in Urban Areas (% - 1975)	7
Labor Force in Agriculture (%)	80
Per Capita GNP (dollars - 1973)*	70
Life Expectancy (years)	47
People Per Doctor	9,350
Literacy Rate (percent)	22
Students as % of 5-19 Age Group (Primary and Secondary)	29

* - Estimate in IBRD 1975 Annual Report

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Est'd
Development Assistance	62.0	24.2	9.2	57.3
AID loans	60.0	20.5	8.3	-0-
AID grants	2.0	3.7	.9	57.3
AID other	-	-	-	-
Security Supporting Assistance	-	-	-	-
Sub-Total, AID	62.0	24.2	9.2	57.3
Public Law 480, Title I	237.3	164.6	-	103.5
Public Law 480, Title II	4.5	8.1	.6	20.5
Total U.S. Economic Assistance	303.3	196.9	9.8	181.3

INDIA

1. Principal U.S. Interests

The size of India's population and economy make it the dominant force for either peace or unrest in South Asia. The principal U.S. interest in India is the maintenance of stability in the sub-continent. The current U.S. aid program is strictly humanitarian in nature.

2. Program Strategy and Content

Many of the world's poor live in India which has a population of 620 million and a per capita GNP of $150. Population continues to increase at the rate of more than one million per month. With a 2.3% growth rate, India's population exceeds that of every continent except Asia itself.

Health and nutrition levels are extremely low. Malaria incidence has grown alarmingly in India in recent years, from a low of 100,000 cases in 1963, to over 4 million in 1975; it is expected to reach about 8 million cases in 1976. Protein-calorie, iron and vitamin A deficiencies prevail among most of India's poor, especially children.

Good harvests in 1975 and 1976 and a favorable monsoon in 1976 have brightened current economic prospects. Food grain production for the 1975/76 crop season totalled 118 million tons, a record harvest. At the same time India imported over 6 million tons of foodgrains in FY 1976 to build up buffer stocks depleted during the 1973 and 1974 drought years. The Government of India has launched a food grain security system to build up a buffer stock of 10-12 million tons for periods of low domestic availability and high world market prices.

The Indo-Pakistan war in 1971 led to a suspension of U.S. development aid to India. Notwithstanding suspension of development assistance, substantial food assistance under P.L. 480 Titles I and II has continued. The U.S. is a member of the India Aid Consortium chaired by the World Bank. A.I.D. is presently budgeting $60 million for development assistance in India in FY 1977. Programs are being proposed for FY 1978 in food production, nutrition and malaria control. A decision on whether to proceed with the program will depend upon developments in U.S. relations with India.

3. Basic Data - India

Population (millions-mid 1975)		613.7
Annual Growth Rate (percent)		2.3
Population in Urban Areas (% - 1975)		21
Labor Force in Agriculture (%)		72
Per Capita GNP (dollars - 1973)*		120
Life Expectancy (years)		51
People Per Doctor	4,250	
Literacy Rate (percent)		34
Students as % of 5-19 Age Group (Primary and Secondary)		38

* - Estimate in IBRD 1975 Annual Report

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Est'd
Development Assistance	-	-	-	60.7
AID loans	-	-	-	60.0
AID grants	-	-	-	.7
AID other	-	-	-	
Security Supporting Assistance	-	-	-	
Sub-Total, AID	-	-	-	60.7
Public Law 480, Title I	121.6	83.0	-	76.2
Public Law 480, Title II	106.1	100.0	24.2	108.3
Total U.S. Economic Assistance	227.7	183.0	24.2	245.2

INDONESIA

1. Principal U.S. Interests

The principal U.S. interest in Indonesia is to maintain a stable political climate in a country which, because of its geographic location and its large population, is a key to the stability of Southeast Asia. Although Indonesia is an oil producing country and a member of OPEC, its "oil wealth" is the smallest of all OPEC countries in terms of the size of its population and its economic development needs. The U.S. also has a strong interest in preserving access to Indonesia's important raw materials not only for the direct benefit of the U.S. economy but also for our important ally, Japan. It has been a reliable supplier of oil to the United States and a moderating influence in the OPEC councils.

2. Program Strategy and Content

Indonesia has the fifth largest population in the world. The most recent estimate of per capita GNP is $170. In a 1975 report, the World Bank estimated that about 75 percent of the population of Java and about 48 percent of the population on the outer islands had standards of living insufficient to provide them with a minimally adequate level of nutrition. Since 1969, not only has the increase in GDP been reduced by increases in price levels, but the portion of GDP available for personal consumption has decreased. The net per capita contribution from oil earnings to the GOI's balance of payments (1973-75) amounted to only $6 per capita in real income when viewed against the large increase in import prices over the same period.

While Indonesia's first Five-Year Plan (1969-74) dealt mainly with the problem of stabilization and rehabilitation under conditions of great scarcity of resources, the second Five-Year Plan (1974-79) assigns highest priority to social and economic equity. Indonesia has found that its institutional capacity is inadequate to carry out the complex programs needed to improve conditions of the poorer segments of its population.

The strategy, therefore, recognizes that development progress is constrained by institutional weaknesses the key to which is planning and managerial talent to match the capital resources now available. The A.I.D. strategy focusses on constraints to institution building and manpower development with particular emphasis on problems of the rural majority.

3. Basic Data - Indonesia

Population (millions-mid 1975)		139.5
Annual Growth Rate (percent)		2.1
Population in Urban Areas (% - 1975)		19
Labor Force in Agriculture (%)		62
Per Capita GNP (dollars - 1973)*		100
Life Expectancy (years)		48
People Per Doctor	25,800	
Literacy Rate (percent)		60
Students as % of 5-19 Age Group (Primary and Secondary)		33

* - Estimate in IBRD 1975 Annual Report

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Est'd
Development Assistance	43.3	49.5	16.8	40.0
AID loans	35.0	38.5	14.1	31.1
AID grants	8.3	11.0	2.7	8.9
AID other	-	-	-	-
Security Supporting Assistance	-	-	-	-
Sub-Total, AID	43.3	49.5	16.8	40.0
Public Law 480, Title I	34.8	59.6	-	80.3
Public Law 480, Title II	11.5	6.5	2.3	6.6
Total U.S. Economic Assistance	89.6	115.6	19.1	126.9

NEPAL

1. Principal U.S. Interests

Nepal is one of the poorest of the least developed countries in the world. The United States interest is humanitarian.

2. Program Strategy and Content

U.S. economic assistance strategy to Nepal supports a re-ordering of Government priorities away from basic infrastructure to more directly productive activities. The strategy also seeks to redress a regional imbalance which previously favored Kathmandu Valley and the adjacent valley by providing more aid to the 60% of the population, largely engaged in subsistence farming in the hills. Assistance is in three principal sectors: Food and Nutrition/Rural Development; Population and Health; and Education/Human Resource Development. We are seeking to increase agricultural productivity through research and delivery systems for improved seeds, technology and services to farmers. To improve market access to remote areas, AID will finance feeder roads and improve trails by constructing suspension bridges.

AID assistance is also provided for Family Planning services which, together with Malaria Control activities, are planned to be combined into an integrated health services program offering basic health care to the rural poor. Curriculum improvement, teacher training and manpower development projects help provide needed knowledge and skills.

U.S. aid, heretofore financed mostly by U.S.-owned Indian rupees, is being shifted to U.S. dollar grant sources.

3. Basic Data - Nepal

Population (millions-mid 1975)		12.6
Annual Growth Rate (percent)		2.3
Population in Urban Areas (% - 1975)		5
Labor Force in Agriculture (%)		94
Per Capita GNP (dollars - 1973)*		90
Life Expectancy (years)		44
People Per Doctor	96,900	
Literacy Rate (percent)		12
Students as % of 5-19 Age Group (Primary and Secondary)		15

* - Estimate in IBRD 1975 Annual Report

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Est'd
Development Assistance	2.5	2.9	.8	3.4
AID loans	-	-	-	-
AID grants	2.5	2.9	.8	3.4
AID other	-	-	-	-
Security Supporting Assistance	-	-	-	-
Sub-Total, AID	2.5	2.9	.8	3.4
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	.6	.4	.1	1.6
Total U.S. Economic Assistance	3,1	3.3	.9	5.0

PAKISTAN

1. Principal U.S. Interests

The U.S. principal interest in Pakistan is to maintain stability in the subcontinent. This interest reflects Pakistan's geographic location in relation to China, Russia and the Indian Ocean. A.I.D.'s interests are both developmental and humanitarian.

2. Program Strategy and Content

Pakistan has approximately 60% of its labor force working in agriculture. With a population of about 70 million, and a population growth rate of about 3%, agricultural production is of prime importance, both economically and politically. Increasing agricultural production to meet the potential that exists in Pakistan could favorably affect the adverse balance of trade of slightly over one billion dollars. This, coupled with deterring the 3% population growth rate, could increase the current per capita GNP of $150.

The basic A.I.D. strategy is to provide financial assistance as an inducement to help persuade the Government of Pakistan to redirect more of its efforts and resources to the rural areas, in such a way as to increase social equity. This is being done by financing a special package of projects all addressing the rural poor. A.I.D.'s assistance portfolio is based on increased agricultural production, decreasing the population growth rate, and increasing social equity. This portfolio is currently supporting Pakistan's increased efforts to improve the livelihood of the majority of the population, most of whom are located in the rural areas of Pakistan. Current A.I.D. projects, or major projects in the design stage, include: On-Farm Water Management, Rural Health Services, Rural Roads, Rural Electrification, Rural Potable Water Systems, Primary Education, Malaria Control, and Population Planning.

3. Basic Data - Pakistan

Population (millions-mid 1975)	69.3
Annual Growth Rate (percent)	2.9
Population in Urban Areas (% - 1975)	27
Labor Force in Agriculture (%)	57
Per Capita GNP (dollars - 1973)*	150
Life Expectancy (years)	50
People Per Doctor	3,920
Literacy Rate (percent)	16
Students as % of 5-19 Age Group (Primary and Secondary)	28

* - Estimate in IBRD 1975 Annual Report

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Est'd
Development Assistance	96.0	59.0	26.8	60.0
AID loans	60.0	50.0	25.0	53.1
AID grants	8.5	9.0	1.8	6.9
AID other (Disaster Relief)	27.5	-	-	-
Security Supporting Assistance	-	-	-	-
Sub-Total, AID	96.0	59.0	26.8	60.0
Public Law 480, Title I	79.5	119.3	-	74.3
Public Law 480, Title II	5.4	.8	8.3	3.9
Total U.S. Economic Assistance	180.9	179.1	35.1	138.2

PHILIPPINES

1. Principal U.S. Interests

United States' interests in the Philippines are considerable, reflecting special historical ties of many decades standing. U.S. investment is over one billion dollars and two-way trade in 1975 was close to $1.4 billion dollars. The Philippines is unique among Southeast Asian countries in having a Mutual Defense Treaty and Military Bases Agreements with the U.S. Clark Air Base and Subic Naval Base are among the most important U.S. military facilities in the Asia-Pacific area. The U.S. has a continuing interest in maintenance of a viable, self-reliant and independent Philippine state which remains favorably disposed toward the United States.

2. Program Strategy and Content

One-third of the 43 million Filipinos are malnourished or receiving diets considerably below standard. At current population growth rates (over 2.6% annually), in each of the next 25 years the Philippines must feed an average of more than 1.5 million more people and find work for 600,000 or 700,000 new jobseekers. Solutions to Philippine economic problems have to be found in increased agricultural productivity and diversification as well as increased non-farm employment.

Rural development is a principal target of U.S. assistance to the Philippines. The U.S. role in this sector is focused on the small farmer through agriculture projects designed to overcome constraints to sustained agricultural and rural development and to improve income and living conditions of the rural poor. The program in FY '76 totaled $53.7 million against an average annual program of about $40 million.

U.S. leadership and resources have helped to create the present relatively positive public environment for family planning which is the most basic requirement of Philippine development.

Assistance in nutrition is aimed at improving use of local food resources and providing supplementary feeding programs or technical assistance in areas such as education, local food production and research.

3. Basic Data - Philippines

Population (millions-mid 1975)	43.4
Annual Growth Rate (percent)	2.9
Population in Urban Areas (% - 1975)	36
Labor Force in Agriculture (%)	51
Per Capita GNP (dollars - 1973)*	270
Life Expectancy (years)	58
People Per Doctor	2,680
Literacy Rate (percent)	83
Students as % of 5-19 Age Group (Primary and Secondary)	65

* - Estimate in IBRD 1975 Annual Report

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Est'd
Development Assistance	55.0	54.3	6.4	40.0
AID loans	45.0	47.0	-0-	32.3
AID grants	10.0	7.3	6.4	7.7
AID other	-	-	-	-
Security Supporting Assistance	.3	-	-	-
Sub-Total, AID	55.3	54.3	6.4	40.0
Public Law 480, Title I	-	-	-	12.0
Public Law 480, Title II	10.8	38.7	4.9	20.6
Total U.S. Economic Assistance	66.1	93.0	11.3	72.6

SRI LANKA

1. Principal U.S. Interests

The U.S. has an interest in supporting Sri Lanka as a moderate non-aligned country with critical development needs. Under a parliamentary democracy, Sri Lanka has tried since independence in 1948 to respond to its citizens' basic economic, health and social requirements in an increasingly egalitarian manner. A.I.D. therefore has a development interest in the Sri Lankan experience as it relates to the Congressional Mandate.

2. Program Strategy and Content

A.I.D.'s strategy for bilateral assistance in FY 1978 is to support the government's efforts to 1) achieve food self-sufficiency, 2) feed 1,300,000 undernourished children and mothers, and 3) combat malaria.

Food

A.I.D. has three FY 1976 and 1977 development loans (active or proposed) totaling $14.6 million which will contribute to increased food production and distribution: Rice Research ($4.2 m); Rice Storage and Processing ($5.4 m) and Mahaweli Basin Development - Stage II ($5.0 m). The latter is a World Bank and other donor assisted project which will effectively double the amount of irrigable land in the country. A.I.D. is considering $5.6 million in loans and grants in the agriculture sector for FY 1978.

Nutrition

Aside from P.L. 480 Title I sale of wheat totaling around $19 million in FY 1978, A.I.D. will provide $5.0 million of Title II foodstuffs for distribution through CARE - sponsored maternal/child health and school feeding programs.

Malaria

A.I.D. proposes a $6.4 million FY 1977 loan and a follow-on loan of the same amount in FY 1978 for the purchase of critically needed malathion and anti-malarials to assist the Sri Lankan government in its malaria control program.

3. Basic Data - Sri Lanka

Population (millions-mid 1975)	13.7
Annual Growth Rate (percent)	2.0
Population in Urban Areas (% - 1975)	24
Labor Force in Agriculture (%)	41
Per Capita GNP (dollars - 1973)*	110
Life Expectancy (years)	66
People Per Doctor	6,020
Literacy Rate (percent)	84
Students as % of 5-19 Age Group (Primary and Secondary)	61

* - Estimate in IBRD 1975 Annual Report

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Est'd
Development Assistance	8.0	9.6	-	10.0
AID loans	8.0	9.6	-	10.0
AID grants	-	-	-	-
AID other	-	-	-	-
Security Supporting Assistance	-	-	-	-
Sub-Total, AID	8.0	9.6	-	10.0
Public Law 480, Title I	24.5	22.0	-	35.2
Public Law 480, Title II	5.4	3.4	1.5	5.7
Total U.S. Economic Assistance	37.9	35.0	1.5	50.9

THAILAND

1. Principal U.S. Interests

The United States has had friendly relations with Thailand for almost a century and a half. During the past 25 years this relationship has been particularly close, notably during the Korean War and the Indochina conflict when we shared a common objective in containing Communist expansion in Asia.

During the past three years, our relations remained close despite dramatic changes on the Thai political scene as well as elsewhere in Southeast Asia. In October 1976, a military coup in Thailand resulted in the abrogation of the last Constitution, the dissolution of the National Assembly and the establishment of the National Administrative Reform Council (NARC) composed of the leaders of the Thai Armed Forces. The NARC rapidly appointed a civilian Prime Minister and Cabinet and promulgated its own Constitution.

The United States intends to maintain cooperative and friendly relations with Thailand and to assist it to maintain its independence and achieve prosperity and stability through modest military and economic assistance programs as well as by other appropriate supportive measures. At the same time, the U.S. security commitment to Thailand, under the terms of the Manila Pact, continues, and has not been affected by the joint decision to terminate SEATO.

2. Program Strategy and Content

Under our current A.I.D. strategy, we plan to conclude all new obligations in FY 1977 except for population and narcotics control programs. During the Indochina war, Thailand received substantial economic support, directly and indirectly, from U.S. military presence in Southeast Asia. Thailand's growth in GNP in real terms has slowed down in recent years with an average annual growth rate of 3 percent in the 1971-75 period. Thailand's GDP in real terms increased 10.5 percent in 1973 but only 3.2 percent in 1974 and 6.4 percent in 1975. Thailand's current account deficit declined from 50 million in 1973 to $14 million in 1974 but declined sharply to over $500 million in 1975. This deficit is expected to decline to only $250 million in 1976.

We are re-examining Thailand's need for concessional development assistance.

3. Basic Data - Thailand

Population (millions-mid 1975)	41.9
Annual Growth Rate (percent)	2.6
Population in Urban Areas (% - 1975)	17
Labor Force in Agriculture (%)	72
Per Capita GNP (dollars - 1973)*	240
Life Expectancy (years)	58
People Per Doctor	8,520
Literacy Rate (percent)	82
Students as % of 5-19 Age Group (Primary and Secondary)	46

* - Estimate in IBRD 1975 Annual Report

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Est'd
Development Assistance	4.1	12.9	.7	12.5
AID loans	-0-	6.3	-0-	6.5
AID grants	4.1	6.6	.7	6.0
AID other	-	-	-	-
Security Supporting Assistance	-	-	-	-
Sub-Total, AID	4.1	12.9	.7	12.5
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	-	-	-	-
Total U.S. Economic Assistance	4.1	12.9	.7	12.5

ASIA REGIONAL

1. Principal U.S. Interests (not major program) — N/A

2. Program Strategy and Content

The historical objectives of U.S. regional assistance have been to encourage two or more countries in the Asia region to cooperate in solving problems of common interests, and to support Asian initiatives in their approaches to mutual solution of these problems in a variety of fields. More recently, as fundamental shifts in U.S. policy in Southeast Asia have taken place, this regional thrust has undergone de-emphasis. Recent project initiatives have centered on activities in design, planning and evaluation studies, and other technical assistance services in support of the A.I.D. bi-lateral programs in the Asia region. Certain regional activities, initiated in previous years, in education and human resource development, labor, and agricultural development do continue through FY 1978.

3. Program Levels

($ millions)

	1975 Actual	1976 Actual	TQ Actual	1977 Est'd
Development Assistance	18.3	9.9	3.8	13.3
AID loans	-	-	-	-
AID grants	4.1	9.9	3.8	13.3
AID other: IPR Funds	14.2 a/	-	-	-
Security Supporting Assistance	-	-	-	-
Sub-Total, AID	18.3	9.9	3.8	13.3
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	-	-	-	-
Total U.S. Economic Assistance	18.3	9.9	3.8	13.3

a/ Indochina Postwar Reconstruction funds - $12.0 million grants to multilateral and specialized agencies to carry out humanitarian programs and $2.1 million to fund Mekong and regional transportation and communications projects.

AFGHANISTAN

1. Principal U.S. Interests

The United States supports the independence, territorial integrity and non-alignment of Afghanistan, as an important contributing factor to stability in South Asia. Afghanistan is one of the six poorest nations in the world; therefore, achievement of regional stability as well as helping Afghanistan's poor people, requires development of a viable political and economic system.

2. Program Strategy and Content

Economic growth over the past 20 years has been extremely slow. A new Republican government came to power in 1973 and has expressed a strong commitment to carry out programs which benefit the rural population. A.I.D. has revised its program in recent years to concentrate upon activities which will have demonstrated direct benefits to the rural poor. Projects include expanding rural health services, increasing the availability of rural primary education, family planning, construction of rural public works and agriculture development. Given the slow pace of Afghanistan's development and lack of trained manpower and development institutions, the aid program design emphasizes project simplicity and an incremental approach to program execution (i.e., starting with small pilot activities). For example, in FY 1977 about $2.4 million is planned for pilot programs in rural public works, expansion of rural health facilities and rural schools, family planning, and agriculture development in the Helmand Valley, and $5.6 million will cover second phase activities in these same general areas.

The U.S. is a minor donor in Afghanistan; the USSR historically has been the largest donor with over 1,000 technical advisors in country. Iran has recently become a major contributor with aid program commitments to Afghanistan of $20 - 30 million. United Nations, the World Bank, the Asian Development Bank, and a number of other bilateral donors also assist a wide variety of development activities in all economic sectors.

3. Basic Data - Afghanistan

Population (millions - mid-1975).....	19.2
Annual Growth Rate (percent).....	2.5
Population in Urban Areas..... (percent - 1975)	10
Labor Force in Agriculture..... (percent)	82
Per Capita GNP (dollars - 1973).....	90*
Life Expectancy (years).....	40
People Per Doctor.....	18,600
Literacy Rate (percent).....	8
Students as % of 5 - 19 Age Group..... (Primary and Secondary)	11

* - Estimate in IBRD 1975 Annual Report

4. Program Levels

($ millions)

	1975 Actual	1976 Actual	IQ Actual	1977 Estimated
Development Assistance				
A.I.D. Loans	10.0	-	-	-
A.I.D. Grants	6.2	6.3	1.4	11.1
Sub-Total A.I.D.	16.2	6.3	1.4	11.1
Public Law 480, Title I	-	2.1	-	-
Public Law 480, Title II	3.9	2.3	-	3.2
Total U.S. Economic Assistance	$20.1	$10.7	$1.4	$14.3*

* Subject to upward adjustment based on revised program costs and new project proposals under preparation by USAID/ Afghanistan.

BAHRAIN, GREECE, MALTA, SPAIN

1. Summary Description of Country Program

BAHRAIN

Since 1949 the United States Navy has had access to the port facilities in Bahrain. One of our principal interests is the continued availability of these facilities. In view of this interest, the United States has tried to be responsive to Bahrain's desire for more orderly planned development and request for assistance to improve government administration.

In FY 1976 the United States Government initiated a program of technical assistance in management systems for development administration of which $0.7 million has been provided and $0.4 million is planned for FY 1977.

GREECE

The new democratic Government of Greece established in June 1975 embarked on a program of restructuring industry and agriculture with greater export orientation to help Greece move toward full membership in the European Economic Community. During this period of readjustment, Greece needed short-term concessional aid which was sought from European and multilateral sources as well as the United States. In FY 1976 the United States provided temporary assistance in the form of a $65 million commodity import loan to stimulate economic recovery. No aid is planned in FY 1977.

MALTA

Malta's position in the Mediterranean is important to the defense of Europe and especially to the security of the Mediterranean. Under a defense agreement signed March 1972 between the United Kingdom and Malta, NATO members provide the Government of Malta an annual payment for base rental for a 7 year period until March 1979. The United States share is about one quarter, $9.5 million per year.

SPAIN

A Treaty of Friendship and Cooperation between the United States and Spain was renewed for five years in January 1976. A total of $35 million (% million per year) is provided in the Treaty and is planned for cooperative programs in education, culture, science and technology.

BAHRAIN, GREECE, MALTA, SPAIN

($ Millions)

SECURITY SUPPORTING ASSISTANCE	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
A.I.D. Loans	-	65.0	-	-
A.I.D. Grants	12.5	9.5	5.5	19.9
BAHRAIN	-	-	0.7	0.4
GREECE	-	-	65.0	-
MALTA	9.5	9.5	4.8	9.5
SPAIN	3.0	-	-	10.0*

*Includes $3 million provided under the old Executive Agreement and $7 million for the first year of the treaty.

CYPRUS

1. Principal U.S. Interests

The Cyprus problem is a source of conflict and tension between our two friends and allies, Greece and Turkey. The United States is concerned for the people of Cyprus and with the potential for further disruption and suffering resulting from the present unstable situation.

2. Program Strategy and Content

The July 1974 coup d'etat and subsequent Turkish military intervention in Cyprus left over 200,000 needy and displaced persons (about 182,000 Greek Cypriots and 30,000 Turkish Cypriots), and 40% of the island controlled by Turkish authorities. U.S. and other donor assistance to these refugees has been channeled through the United Nations High Commission for Refugees (UNHCR) which has played the central role in channeling international contributions and estimating relief needs. It has distributed in both northern and southern parts of the island camp beds, blankets, food and medical supplies in cooperation with local authorities, through the International Committee of the Red Cross (ICRC) and the UN Force in Cyprus (UNFICYP).

In addition to the emergency relief mentioned above, the U.S. contribution to UNHCR is helping finance a continuing refugee feeding program, low-cost housing for refugees, reforestation and a number of small refugee health, social relief and welfare projects.

Since 1974 the U.S. has provided $55.0 million, primarily through the UNHCR. Other donors have provided $192 million. For FY 1977 $17.5 million is planned.

The current needs are jobs and housing and progress is being made. The economy is improving, foreign exchange reserves are increasing, and more jobs are being created. Our aid will help the government complete its shelter program by the end of 1977 for the approximately 24,000 refugees most in need. We believe the Cypriots will be fully capable of handling all further relief and rehabilitation needs with their own resources.

CYPRUS

3. Basic Data

Population (millions mid-1975)	...0.7	Per Capita GNP (dollars-1973)	...1,290*
Annual Growth Rate (Percent)	...0.9		
Population in Urban Areas (Percent-1975)	...42	Life Expectancy (years)	...70
		People per Doctor	...1,300
Labor Force in Agriculture(Percent)	...35	Literacy Rate (Percent)	...76
		Students as % of 5-19 age group (Primary and Secondary)	...55

*Estimate in IBRD Annual Report

4. Program Levels

($ Millions)

	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Famine and Disaster Relief	25.0			
Section 495 (Cyprus Relief)		10.0	15.0	
Security Supporting Assistance				17.5
Sub-total, A.I.D.	25.0	10.0	15.0	17.5
Public Law 480, Title II	0.9	0.1		0.9
Total U.S. Economic Assistance	25.9	10.1	15.0	18.4

EGYPT

1. Principal U. S. Interests

-- Political and economic stability in the Middle East.

-- Continuation of a moderate regime in power in Egypt that is determined to achieve a negotiated peace in the Middle East.

-- Support to the Government of Egypt to help develop an economic and social atmosphere within Egypt conducive to growth, development and peace.

2. Program Strategy and Content

The A.I.D. program is designed to provide support to the moderate Egyptian leadership by promoting the country's economic and social development. Egypt faces massive economic problems, and a reasonable measure of success in dealing with these problems is essential to gain the support of the Egyptian people for further measures leading to a permanent settlement of the Middle East conflict.

The Egyptian economy, despite many elements of sophistication, is clearly a less developed one. Per capita GNP is less than $300; literacy is only 44%; the small amount of arable land provides limited scope in agriculture for dealing with population pressures. Egypt suffers from a serious shortage of foreign exchange to rebuild its war damaged economy and to undertake a development program. The economy suffers from shortages of raw materials and spare parts for industry. Levels of domestic investment in new industry, agriculture and the infrastructure are too low.

U. S. economic assistance is directed towards the basic problems of the Egyptian economy.

-- A large portion of the A.I.D. program is used to finance commodity imports from the United States to provide raw materials and spare parts for Egypt's industrial and agricultural sectors and to supply needed consumer goods for the general population.

-- A.I.D. provides grant assistance to reconstruct the war damaged Suez Canal area including power generation and distribution, road construction, and water and sewage facilities for the newly opened cities in the Suez area.

-- A.I.D. extends loans to help develop Egypt's basic infrastructure, eliminate key bottlenecks to future development, and develop industrial enterprises that will contribute to Egypt's long term productive capabilities.

-- A.I.D. also provides technical advisory assistance to the Egyptians in a variety of fields such as family planning, health delivery systems, agricultural production, social affairs and rural development programs. An important element of these activities is U.S. training for Egyptian experts.

PL 480 food aid also helps Egypt meet its large annual food import requirements. Wheat and wheat flour are the major items provided under this program.

Substantial economic assistance is provided to Egypt by the Arab countries and other donors, but Egypt's economic recovery requires resources far beyond its own or any single donor's ability to provide.

3. Basic Data - Egypt

Population (millions - mid-1975)	37.7
Annual Growth Rate (percent)	2.3
Population in Urban Areas (percent - 1975)	45
Labor Force in Agriculture (percent)	46
Per Capita GNP (dollars - 1973*)	250
Life Expectancy (years)	52
People per Doctor	1,510
Literacy Rate (percent)	44
Students as 5 of 5 - 19 Age Group..... 46 (Primary and Secondary)	

* Estimate in IBRD 1975 Annual Report

4. Program Levels - Egypt

($ millions)

	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Security Supporting Assistance	251.2	258.2	536.8	700.0
Loans	194.3	150.0	429.0	579.0
Grants		108.2	107.8	
Suez Canal Reconstruction	54.9	96.7	99.0	100.0
Technical Assistance	2.0	11.5	8.8	21.0
Public Law 480 Title I	104.5	218.3	a	162.6
Public Law 480 Title II	12.8	8.2	a	17.8
TOTAL U.S. Economic Assistance	368.5	484.7	536.8	880.4

a = included in 1976

ISRAEL

1. Principal U.S. Interests

-- To help assure the continued existence and security of Israel
-- To promote a sense of economic stability in Israel that would lead to further progress in peace negotiations in the Middle East

2. Program Strategy and Content

Security Supporting Assistance helps Israel sustain reasonable levels of consumption and investment while carrying a heavy defense burden. Our aid provides immediate foreign exchange to enable Israel to purchase imported goods from the United States. The Commodity Import Program is the largest element of the program. In addition, cash grants are provided to help Israel absorb the indirect foreign exchange requirements resulting from the Sinai withdrawal. PL 480 food aid helps Israel meet a small fraction of its annual food import requirements.

Israel is a small nation of 3½ million people. The country lacks substantial natural resources and its chief asset is a highly skilled, technologically-advanced work force with which it produced a gross national product of just over $11 billion in 1975.

Historically, Israel's net resource needs have been largely funded through an exceptionally high level of private transfer payments. However, the increased military threat and the shift in terms of trade that followed the 1973 war necessitated large-scale U.S. assistance to meet external resource needs.

Even with large U.S. assistance levels, the ultimate well being of the Israeli economy remains dependent, to varying degrees, on the general political climate in the Middle East, the pace of U.S. and European economic recovery, and the continuation of substantial aid and capital inflows from abroad.

The only other donors providing significant economic assistance to Israel are Germany and the international organizations, and their help is on a much smaller scale than U.S. aid.

3. Basic Data - Israel

Population (millions-mid 1975)	3.4	Per Capita GNP (Dollars - 1973)[1]	2,790
Annual Growth Rate (percent)	1.7		
Population in Urban Areas (Percent - 1975)	84	Life Expectancy (years)	72
		People per Doctor	380
Labor Force in Agriculture (Percent)	7	Literacy Rate (percent)	88
		Students as % of 5-19 Age Group (Primary and Secondary)	66

[1]Estimate in IBRD 1975 Annual Report

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Security Supporting Assistance	324.5	700.0	75.0	735.0
Commodity Import Loan	-	225.0	25.0	245.0
Commodity Import Grant	324.5	325.0	35.0	340.0
Cash Program Grant	-	150.0	15.0	150.0
Other AID Assistance	20.0	(3.6)	(1.3)	*
American Schools and Hospitals Abroad - Grant**	(2.5)	(3.6)	(1.3)	*
Desalination Project-Grant	20.0	-	-	-
Housing Investment Guaranty**	(25.0)	(25.0)	-	(25.0)
Total AID Assistance	344.5	700.0	75.0	735.0
Public Law 480, Title I	8.6	15.2	3.8	7.4
Immigration Assistance	40.0	15.0	-	15.0
Total U.S. Economic Assistance	393.1	730.2	78.8	757.4
Military Assistance	300.0	1500.0	200.0	1000.0
Total U.S. Assistance	693.1	2230.2	278.8	1757.4

* Unavailable at this time
** Non-add

JORDAN

1. Principal U.S. Interests

Political and economic stability in the Middle East by ensuring the Government of Jordan's continuing role as a moderating political force in the Middle East, a key factor in the successful accomplishment of U.S. peace initiatives in that area.

2. Program Strategy and Content

U.S. assistance supports Jordan's efforts to develop its economy and sustain its internal stability, without which Jordan's policies would be critically vulnerable to extremist pressures.

Jordan's limited resources base has circumscribed its development. Because of its economic vulnerability and heavy dependence on foreign assistance, Jordan is unusually susceptible to destabilizing external influences. U.S. assistance is necessary to diversify Jordan's sources of external support to help Jordan to maintain a certain measure of economic independence and thus a moderate political posture.

Improving security in the Middle East has enabled Jordan to devote increased attention to the country's development needs. Major goals of Jordan's new Five-Year Plan (1976-1980) are to: (a) secure a national income growth rate of 12% per year; (b) increase that portion of the annual budget covered by domestic revenues from 50% to 70%; and (c) reduce its trade deficit from 48% to 24% of national income. The Five-Year Plan calls for investments of some $2.3 billion, to be derived mainly from foreign sources.

U.S. economic assistance includes grant budgetary support to enable the Government to maintain the essential level of domestic outlays, and concessional financing for development projects. The latter includes loan financing for: agriculture development, primarily in the Jordan Valley; minerals development; and transportation. In addition, grant technical assistance is provided in the areas of agriculture, education, training of Jordanian officials in project design and implementation procedures, and the augmentation of Jordanian expertise by contracting for external assistance in project planning and development. PL 480 food aid is provided to help Jordan meet its annual food import requirements.

Other donors, particularly Arab oil exporting countries, play an important role in Jordan's development efforts. In 1975, Jordan began to develop cooperative economic ties with its Arab neighbors, especially Syria.

3. Basic Data - Jordan

Population (millions-mid 1975)	2.7	Per Capita GNP (dollars 1973)	290*
Annual Growth Rate (percent)	3.6		
Population in Urban Areas (Percent 1975) Estimated	60-70	Life Expectancy (years)	55
		People Per Doctor	2,290
Labor Force in Agriculture (Percent)	35	Literacy Rate (percent)	32
		Students as % of 5-19 Age Group (Primary and Secondary)	62

*Estimate in IBRD 1975 Annual Report

4. Program Levels

($ Millions)

	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Security Supporting Assistance	77.5	46.4	86.1	70.0
Loan	8.7	7.0	19.0	21.0
Grant	68.8	39.4	67.1	49.0
Budgetary Support	(67.5)	(37.0)	(66.0)	(45.0)
Technical Assistance	(1.3)	(2.4)	(1.1)	(4.0)
Other AID Assistance	10.0	-	-	-
Special Requirements Fund-Loan	10.0	-	-	-
Total AID Assistance	87.5	46.4	86.1	70.0
Public Law 480, Title I	6.4	12.2	-	7.3
Public Law 480, Title II	5.2	2.3	-	0.5
Total U.S. Economic Assistance	99.1	60.9	86.1	77.8
Military Assistance	100.3	138.3	-	130.8
Total U.S. Assistance	199.4	199.2	86.1	208.6

LEBANON

1. Principal U.S. Interests

--Political and economic stability in the Middle East.

--Assist the people of Lebanon overcome the suffering and hardships caused by the civil war there.

2. Program Strategy and Content

Thus far, U.S. assistance has focused exclusively on immediate relief needs. Beginning in October 1975, A.I.D. has provided some $10.4 million in medical and financial support to the American University Hospital in Beirut (AUH), and to the International Committee of the Red Cross (ICRC) program in Lebanon. These two institutions have been the only impartial relief organizations able to operate in Lebanon to date.

The funds to AUH were used to make available a wide range of medical supplies, primarily antibiotics, but including oxygen, x-ray film and other hospital supplies.

The funds provided to the ICRC also were used to procure medicines and to support emergency relief operations conducted in hospitals and dispensaries in many areas of Lebanon.

The Congress appropriated $20 million earmarked for relief and rehabilitation activities in Lebanon during FY 1977. So far, $4.3 million of these funds has been obligated in further support of ICRC and to support UN plans to undertake a program in Lebanon. The U.S. has taken the lead in responding to the UN appeal. We anticipate that the full $20 million will be utilized for relief efforts, which are expanding as the October 21 ceasefire seems to be holding.

If present peace initiatives continue to hold, Lebanon will be able to turn to reconstruction and rehabilitation of war-devastated areas. The U.S. will be expected to assist in this effort along with other international donors. Since all funds presently available will be required for relief efforts, additional funding would have to be requested from the Congress for reconstruction-rehabilitation assistance. The amount can be determined only after a thorough on-the-ground assessment of damage has been made. State has informally approached the World Bank to undertake this analysis at the appropriate time.

MIDDLE EAST SPECIAL REQUIREMENTS FUND

1. Principal U.S. Interests

-- The United States plays a central role in Middle East peace efforts.

-- The Middle East Special Requirements Fund facilitates U.S. peace efforts by permitting prompt U.S. response to special needs arising in the area.

2. Program Strategy and Content

The Special Requirements Fund is a flexible tool that enables the United States to respond promptly and effectively to special needs arising in the Middle East.

In FY 1975, the Fund was used to:

-- initiate the new Syrian bilateral aid program;

-- assist UNRWA to settle its large operating deficit;

-- finance an important national road project in Jordan;

-- undertake a number of development projects on the West Bank and Gaza;

In FY 1976, the Fund was used to:

-- establish the American civilian early warning system in the Sinai;

-- assist the Egyptian Government to establish its own warning system;

-- make a special U.S. contribution to the United Nations Emergency Force in the Sinai;

-- continue support to West Bank and Gaza development activities.

In FY 1977, the Fund will be used to:

-- continue the operation of the American early warning system in the Sinai;

-- expand development activities in the West Bank and Gaza areas;

-- meet other special needs that may arise during the period.

MIDDLE EAST (Cont'd)

3. Program Levels

	($ Millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Special Requirements Fund	100	35.6	18.4	29.1

MOROCCO

1. Principal U.S. Interests

Morocco has been a moderating presence in the Middle East and continues to enjoy good relations with the United States. The U.S. has supported the present government in its extensive development effort in order to sustain this presence.

2. Program Strategy and Content

While per capita income in Morocco is higher than in many other developing countries, the Moroccan economy is characterized by economic dualism. Major qualitative differences exist between the standard of life of the urban and rural populations and between differing regions of the country. The harsh realities of economic and social underdevelopment are borne most heavily by the rural dwellers, who constitute a majority of the Moroccan population. This large segment of the population lacks adequate health care, educational opportunities, and access to the modern technology required to increase farm production. The A.I.D. program is designed to assist this rural group. U.S. economic assistance, although relatively modest, is designed to achieve maximum impact in areas where the U.S. is particularly equipped to provide assistance.

The A.I.D. program in Morocco was begun in 1957. Since then the U.S. has provided over $800 million in economic assistance. Over the period 1975-1977, USAID expects to support an annual program of about $2-$3 million of technical assistance, and occasional loans focusing on problems related to the transfer of agricultural technology, practical training in agriculture and nutrition, nonformal education, delivery of rural health services and family planning. The family planning effort is especially pressing, as Morocco's annual population growth rate is one of the highest in the world.

A.I.D.'s strategy is particularly focused on the most disadvantaged farmers who live in areas of low rainfall. Our object is to develop and adapt technologies suitable for increasing agricultural production in these areas. One-third of our technical assistance program in FY 1977 is devoted to agriculture and a loan to establish forage seed nurseries for the dryland areas is under study.

3. Basic Data

Population (millions mid-1975)	17.5
Annual Growth Rate (%)	3.0
Population in Urban Areas (% - 1975)	38

MOROCCO

Labor Force in Agr. (%)	55
Per Capita GNP (dollars 1974)*	290
Life Expectancy (years)	5.4
People Per Doctor	13,600
Literacy Rate (%)	15
Students as % of 5-19 Age Group (Primary & Secondary)	24

* Estimate in IBRD 1975 Annual Report.

4. Program Levels

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Development Assistance	9.3	14.3	.5	3.4
A.I.D. Loans	8.0	13.0	-	-
A.I.D. Grants	1.3	1.3	.5	3.4
Sub-Total, A.I.D.	9.3	14.3	.5	3.4
PL 480, Title I	-	14.8	-	7.3
PL 480, Title II	12.7	20.7	-	15.6
Total U.S. Economic Assistance	22.0	49.8	.5	26.3

PORTUGAL

1. Principal U.S. Interests

The U.S. Government through its aid program seeks to support the efforts of the new Portuguese leadership to pursue a democratic form of government and deal with the major economic development problems that confront it. Portugal is also an important ally on the southern flank of the NATO Alliance and provides the strategic base facilities in the Azores.

2. Program Strategy and Content

A U.S. assistance program in Portugal was initiated in FY 1975 as part of a broader Western response to provide Portugal with the critical external assistance needed to insure a program of economic and political stabilization. In support of this program, Western European governments have so far pledged over $1.0 billion through the European Economic Community, bilateral project assistance and emergency balance of payments relief.

Following the April 1974 revolution, the GNP declined by more than 10% in 1975, unemployment averaged between 12 to 15% and inflation running at a rate of about 25%. Investor confidence declined as a result of substantial increase in wages, extensive nationalization and partial worker takeover of many plants. A decline in exports and invisible earnings from worker remittances and tourism resulted in foreign exchange reserve drain of more than $1.2 billion. The decolonization of its African territories has resulted in an influx of returning refugees now estimated to reach 800,000-900,000 or about 10% of the population further complicating the economic difficulties of Portugal. The returnees faced a shortage of jobs, housing, health and educational facilities.

U.S. assistance to Portugal is temporary and is intended to help Portugal cope with the sudden influx of refugees and stimulate a substantial economic program. This aid program was begun in FY 75. Since then, the U.S. has provided over $184.4 million including security supporting assistance, PL 480 Title I and Commodity Credit Corporation (CCC) Export Credits.

PORTUGAL (Cont'd)

The initial U.S. assistance in FY 1975 provided funds for short term U.S. consultants and the training of Portuguese in a variety of fields. Loan funding was also provided for housing of low-income groups and for feasibility studies in a variety of sectors which could serve as a basis for investment decisions by the Portuguese Government and by potential bilateral and multilateral donors. U.S. assistance in FY 1975 totaled $15 million.

U.S. assistance in FY 1976 and the Transition Quarter supplemented the funding in the above areas and provided loans for constructing primary and secondary schools and basic water and sewerage systems. A substantial portion of U.S. aid, $35 million, was for a program of relief, resettlement, and employment of the African returnees. An additional $7.4 million was provided from Famine and Disaster Relief funds to assist with the airlift costs of refugees from Angola.

In FY 1977, the U.S. is planning a continuation of project loans in low-income housing, sanitation and school construction. Two new loans are anticipated: one to assist the government in its program of developing a system of rural health care centers and a second loan to support the polytechnicos, two year educational institutions which are responsible for community education programs and agricultural extension.

PORTUGAL

3. Basic Data

Population (millions mid-1975)	...8.5	Per Capita GNP (dollars-1973)	...1,130*
Annual Growth Rate (Percent)	...0.9		
Population in Urban Areas (Percent-1975)	...NA	Life Expectancy(years)..	68
		People per Doctor ...	960
Labor Force in Agriculture (Percent)	...29	Literacy Rate (Percent)	...65
		Students as % of 5-19 Age Group (Primary and Secondary)	...61

*Estimate in IBRD 1975 Annual Report

4. Program Levels

($ Millions)

	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Security Supporting Assistance	15.0	35.0	20.0	65.0
AID Loans	14.25	35.0	19.0	63.0
AID Grants	.75		1.0	2.0
AID, other (specify...)				
Other AID Assistance				
HIGs*	(20.0)	—	—	(20.0)
Famine and Disaster Relief		7.4		
Sub-total, AID				
Public Law 480, Title I		20.0	5.0	50.0
Total U.S. Economic Assistance	15.0	62.4	25.0	115.0

*NE only, (HIG's are non-add)

REGIONAL PROGRAMS

The regional program funded by Development Grants includes:

1. Scholarships to the American University of Beirut (AUB)

Since 1951, A.I.D. has provided scholarship assistance for students from Middle East and Asian countries at the AUB. This program plays an important role in meeting the needs of these countries for trained manpower in priority development areas. In addition, this program strengthens the capacity of AUB to meet the academic needs of its service area and supports an institution which enjoys a unique role in the Middle East.

In previous years aid has financed annually over 400 students or 13% of the student body. However, with a civil war raging, enrollment dropped and now there are only under 100 AID finance students enrolled in a student body of 1,100.

2. The Economic Program of the Central Treaty Organization (CENTO)
The program supports CENTO's Multilateral Technical Cooperation Fund as well as its Science, Industry and Books Funds. It also finances the exchange of experts among regional countries, intraregional study panels, scholarships at leading Asian and Middle East institutions for students from CENTO countries, special short-term training programs, and U.S. participation in CENTO conferences held on various development-related topics.

3. A Project Development and Support account provides funds to finance studies, research, consultants, and experts to help in the analysis, design and evaluation of new and continuing country and regional programs and projects.

4. Assistance to Private Voluntary Organizations (PVOs)

To stimulate and emphasize the activities of private voluntary organizations in development activities in the Near East countries, A.I.D. encourages voluntary agencies to expand their development activities by allocating funds for worthwhile activities that they may propose. Voluntary agencies of the United States and the less developed countries are eligible.

Program Levels - Regional Programs

	($ millions)			
	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Development Assistance	8.9	2.6	0.7	2.6
AID loans	-	-	-	-
AID grants	8.9	2.6	0.7	2.6
AID other	-	-	-	-
Other AID Assistance	-	-	-	-
HIGs*				
Sub-Total, AID	8.9	2.6	0.7	2.6
Public Law 480, Title I	-	-	-	-
Public Law 480, Title II	-	-	-	-
Total U.S. Economic Assistance	8.9	2.6	0.7	2.6

*NE only(HIG's are non-add)

SYRIA

1. Principal U.S. Interests

--Political and economic stability in the Middle East.
--Provide economic assistance to demonstrate U.S. concern for Syria's development needs, and thereby
--Relax tensions by directing mutual contacts and efforts to peaceful purposes.

2. Program Strategy and Content

The AID program is designed to support Syria's priority development efforts to increase development in agricultural and rural areas; to expand transport and communications facilities; upgrade the country's human resources; and finally, to expand the overall efficiency of national health services:

Agriculture: U.S. assistance supports increased agricultural production through improvement and expansion of Syria's irrigation systems, and machinery and equipment to increase agricultural production.

Transportation: AID has financed the improvement of a major national highway from the capital city of Damascus to Dera'a on the Jordanian border.

Human Resources Development: Provides training in the U.S. for approximately 70 Syrian officials a year.

Health Services: AID has developed a project to provide integrated technical assistance to help Syria overcome specific weaknesses in national health programs.

In addition to the AID program, P. L. 480 food aid helps Syria meet a part of its annual food import requirements. These have increased substantially as a result of the presence in Syria of approximately one million Lebanese refugees.

Until FY 1976 Syria was the recipient of massive aid from Arab oil countries. When Syria began playing a role in the Lebanese conflict, the flow of these funds was reduced drastically. It is not clear yet, whether and in what amount such monies again will become available.

3. Basic Data - Syria

Population (millions-mid 1975)	7.3	Per Capita GNP (dollars 1973)	370*
Annual Growth Rate (Percent)	3.1		
Population in Urban Areas (Percent 1975) Estimated	48	Life Expectancy (years)	54
		People Per Doctor	3,490
Labor Force in Agriculture (Percent)	54	Literacy Rate (Percent)	40
		Students as % of 5-19 Age Group (Primary and Secondary)	57

*Estimate in IBRD 1975 Annual Report

4. Program Levels

($Millions)

	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Security Supporting Assistance	83.0*	16.5	78.5	80.0
Loans	78.0	14.5	78.5	78.0
Grants	5.0	2.0	-	2.0
Public Law 480, Title I	21.4	19.2	-	10.0
Public Law 480, Title II (WFP)	0.2	0.4	**	3.3
Total U.S. Economic Assistance	104.6	36.1	78.5	93.3

*Funded from Middle East Special Requirements Fund
**Less than $50,000

TUNISIA

1. Principal U.S. Interests

Maintenance of the moderate orientation of Tunisia's leadership in order to promote peace and stability in the Mediterranean region. The viability of this orientation requires that Tunisia continue to show sustained economic development and progress in meeting the urgent needs of its poor.

2. Program Strategy and Content

Tunisia's economic growth over the past decade has been impressive. GNP has increased by an average of 6% per year. Per capita GNP is now estimated to exceed $700. The economy has a degree of diversification that gives it greater protection from outside forces than many other developing countries. A low debt service ratio and responsible financial management give Tunisia a good credit rating for commercial borrowing, as well as making it attractive to foreign investors.

While long-term prospects are excellent, Tunisia's economy remains susceptible to the vagaries of weather and changes in the world market for its principle sources of foreign exchange, i.e., phosphates, tourism, petroleum, olive oil and workers' remittances. Moreover, Tunisia still suffers from many of the basic ills of underdevelopment, including wide regional growth disparities, rapid urbanization and high unemployment. Forty percent of its population lives below the poverty level; nearly two-thirds are illiterate; health services are seriously inadequate and the agriculture sector has yet to achieve rapid growth.

The Tunisian Government has set ambitious development objectives for the next five years. Achievement of these objectives will be heavily dependent on the availability of concessional official and private financing, as well as access to trained manpower for program planning and implementation.

The U.S. has provided over $800 million in concessional assistance to Tunisia since its independence in 1956. In recent years the level of our bilateral AID program has dropped due to overall A.I.D. funding constraints, Tunisa's favorable economic position and A.I.D.'s effort to concentrate its development assistance on the poorest nations. We have conveyed to the Tunisians our view that concessional assistance is appropriate primarily for smaller scale, qualitative inputs, while major capital resource transfers should be funded from other sources such as Housing Investment Guaranties, Overseas Private Investment Corporation, and Export-Import Bank guaranties and financing, and other

TUNISIA (Cont'd)

credit instruments with harder terms. At the same time, we have expressed A.I.D.'s willingness to continue existing and to explore new activities in the areas of agriculture and livestock production, rural development in one of the country's poorest provinces, delivery of rural health services, nutrition planning and increased availability of family planning services. We are also considering new forms of technical assistance in manpower training and the transfer of technologies for development.

In FY 1977, a program of $9.3 million is planned of which nearly 70% will be in agriculture, including a loan for rural development, and delivery of health services.

3. Basic Data

Population (millions mid-1975)	5.8
Annual Growth Rate (Percent)	2.5
Population in Urban Areas (Percent - 1975)	46
Per Capita GNP (dollars - 1973)	410*
Life Expectancy (years)	55
People Per Doctor	5,200
Literacy Rate (Percent)	32
Students as % of 5-19 Age Group (Primary and Secondary)	57

* Estimated in IBRD 1975 Report

4. Program Levels

	($ millions) 1975 Actual	1976 Actual	T.Q. Actual	1977 Estimated
Development Assistance	2.2	2.5	.4	9.3
AID Loans	-	-	-	5.0
AID Grants	2.2	2.5	.4	4.3
Housing Investment Guaranties (non-add)				(10.0)
Sub-Total, AID	2.2	2.5	.4	9.3
Public Law 480, Title I	-	2.9	-	6.0
Public Law 480, Title II	10.1	7.2	-	7.1
Total U.S. Economic Assistance	12.3	12.6	.4	22.4

YEMEN

1. Principal U.S. Interests

Yemen is one of the poorest least developed countries in the world with a per capita GNP of only $100. Despite its small size and isolation, it contains the bulk of the population of the Arabian Peninsula and provides a large portion of the working force of Saudi Arabia and other Persian Gulf States. It shares a long border to the South with the radical regime of South Yemen (Aden). Continued economic and social development will help Yemen continue to play a role as a moderate Arab State in a region of conflict.

2. Program Strategy and Content

Yemen faces a number of major obstacles which seriously impede economic development: harsh topgraphy with inadequate rainfall; scarce agricultural land; largely illiterate and tradition-bound population; small industrial base, deficient physical and administrative infrastructure, and shortage of managerial skills. It is dependent on foreign donor assistance for basic government services as well as its development program.

In the 1960's Yemen had been a major aid receipient with an assistance program of nearly $8.0 million annually. This relationship was terminated by Yemen in 1967 when diplomatic relations were cut and was re-instituted in 1971 when relations were resumed. Since 1971 the A.I.D. program has concentrated on agriculture and rural development, potable water development in rural and urban areas, and manpower training.

Agricultural production, the country's main source of income, declined through the 1960's as a result of the civil war and prolonged periods of drought. A.I.D. has joined other donors in attempting to accelerate agricultural production and has supported projects to increase sorghum production, Yemen's principal food crop, and to increase fruit, vegetables and poultry production.

Water is a precious and limited resource in Yemen. It does not appear available in significant amounts to increase agricultural production. A.I.D. has been active in developing potable water

YEMEN (Cont'd)

systems with a major well drilling program in rural areas and a program for the water and sewerage system in Taiz, Yemen's second largest city. A.I.D. is also actively engaged in a groundwater survey in two heavily populated rural areas.

A.I.D. manpower training program for Yemeni development has provided training to 57 participants who are now working for the government and 29 participants currently being trained.

In FY 1970 a program of $14.6 million is planned, including a capital grant of $10 million for a water and sewerage system for the city of Taiz.

A.I.D. has coordinated its assistance with other donor organizations. The most important of these are the World Bank, Saudi Arabia and Yemen's other Arab neighbors whose aid programs are considerably larger than AID's. Other donors include the UN, West Germany, Russia, the People's Republic of China, and Great Britain.

3. Basic Data - Yemen

Population (millions mid-1973)	...6.6	Per Capita GNP (dollars-1973)	100*
Annual Growth Rate (percent)	...2.9	Life Expectancy(years)	45
Population in Urban Areas (percent-1975)	... 8	People per Doctor	25,500
		Literacy Rate (percent)	8
Labor Force in Agriculture (percent)	...80	Students as % of 5-19 Age Group (Primary & Secondary)	6

*Estimate in IBRD 1975 Annual Report

4. Program Levels

($ Millions)

	1975 Actual	1976 Actual	TQ Actual	1977 Estimated
Development Assistance				
AID Loans	1.4	4.4	1.7	-
AID Grants	1.9	-	-	14.6
Sub Total AID	3.3	4.4	1.7	14.6
Public Law 480, Title II	3.4	5.2	-	2.5
Total U.S. Economic Assistance	6.7	9.6	1.7	17.1

SECTION XII

ANNOTATED BIBLIOGRAPHY OF SIGNIFICANT STUDIES/DOCUMENTS ON FOREIGN AID

A. GENERAL STUDIES OF FOREIGN ASSISTANCE

B. STUDIES IN SPECIALIZED AREAS OF FOREIGN ASSISTANCE

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NOTE: A hard cover copy of each study and document is available at SER/SYS, Room 5758 NS Extension 20108

A. GENERAL STUDIES OF FOREIGN ASSISTANCE

1. The Assault on World Poverty (1975)	An IBRD publication, 1975 - a collection of papers dealing with Rural Development, Agricultural Credit, Land Reform, Education and Health.
2. Development Issues (1975)	First Annual Report of the President on US Action Affecting the Development of Low Income Countries - Report to Congress, May, 1975.
3. Implementation of "New Directions" in Development Assistance - (1975)	A.I.D. report to the Committee on International Relations on Implementation of Legislative Reforms in the Foreign Assistance Act of 1973 - 94th Congress, First Session, 1975.
4. "New Directions" in Development Assistance: Implementation in Four Latin American Countries (1975)	Report of the Committee on International Relations on a staff survey mission to Columbia, Bolivia, Guatamala and the Dominican Republic - 94th Congress, First Session, 1975.
5. The Americas in a Changing World (1974)	Report by the Commission on United States - Latin American Relations, 1974.
6. Partners in Development (1969)	Report of the Commission on International Development, Lester Pearson, Chairman 1969.

7. U.S. Foreign Assistance In The 1970's: A New Approach (1970)

This is the "Peterson Report" of the Task Force on International Development.

8. International Development Assistance (1969) (Hannah Report)

A report by the Task Force on International Development Assistance and International Education of the National Association of State Universities and Land-Grant Colleges. The report lists a set of principles to guide U.S. development assistance stressing that the U.S. commitment should be isolated from short-term fluctuation in diplomatic relations. The report recommends basic changes in the nature of the involvement of the Universities in the total U.S. assistance effort and proposes an organization within the government to deal with key elements of technical assistance.

9. L.B.J. History (1968)

A history of A.I.D. since 1963, prepared for the Johnson library.

10. Perkins Committee Report (1968)

An October, 1968 report entitled "Development Assistance in the New Administration" which was prepared by the President's General Advisory Committee on Foreign Assistance Programs--James S. Perkins, Chairman. The report offers a variety of recommendations for strengthening the foreign assistance program, including: (1) the establishment of a Development Cooperation Fund as a successor to A.I.D.; (2) expansion of assistance through multilateral agencies; (3) establishment of an Overseas Investment Corporation to promote private investment in the underdeveloped countries; and (4) focusing assistance efforts on agricultural development,

family planning, education, strengthening scientific capabilities, and broadening popular participation in responsibilities and benefits of development. Included also are A.I.D., State, DOD, and BOB comments on the report furnished to President Johnson in December, 1968.

11. Asher Report (1968)

A study prepared in September, 1968 (discussion draft), by Robert E. Asher of the Brookings Institute. The report argues that development assistance should be conceptually and organizationally separated from military aid, emergency relief, supporting assistance, and similar programs. It should be integrated more closely with trade policy, investment policy, and cultural exchange policy. The author suggests that all capital assistance activities be transferred to the World Bank Group and regional development banks by 1975, and that technical assistance be transferred to a technical assistance foundation and to augmented multilateral channels. In addition, a recommendation is made for a new Act for International Development to accomplish the above and reduce A.I.D. to a largely planning and coordinating office.

12. The U.S. and World Development, Agenda for Action 1976 (1976)

This overview of development problems was written by Roger D. Hansen and the Staff of the Overseas Development Council.

13. The New Economics of Growth -- A Strategy for India and the Developing World (1976)

The book was written by John Mellor.

B. STUDIES IN SPECIALIZED AREAS OF FOREIGN ASSISTANCE

1. Summary Proceedings - Conference on International Development (1976)	Report by VA. Polytechnic Institute and State University and National Association of State Universities and Land-Grant Colleges on Implementation of 1975 Famine Prevention and Freedom from Hunger Amendment (Title 12) of Foreign Assistance Act, November 1976.
2. World Food and Nutrition Study (1975)	Report of the Board on Agriculture and Renewable Resources, National Academy of Sciences, 1975.
3. World Food and Nutrition Study (1975)	Report of the Steering Committee NRC Study on World Food and Nutrition, National Academy of Sciences, 1975.
4. Proposal by AID for a Program in Appropriate Technology (1976)	Committee Report, 94th Congress, Second Session 1976.
5. Rural Development and Bank Policies (1974)	A Progress Report, 1974, IBRD.
6. Report on United States Government Labor Programs in Latin America (1975)	A 1975 report by R. Alexander and H. Hammond under an A.I.D. contract. CLASSIFIED

7. U.S. Government Follow-up on Resolution V (nutrition) of the World Food Conference Report to the Senate Subcommittee on Foreign Agricultural Policy (1975)

This November 6, 1975 report was prepared in response to a request by the Senate Subcommittee on Foreign Agriculture Policy for an updating of the Administration's May 1, 1975 report on implementation of World Food Conference recommendations.

8. Partners With India - Building Agricultural Universities (1974)

A report by the University of Illinois for the Council of U.S. Universities for Rural Development in India on the A.I.D.-financed program that began in 1952 and ended in 1973.

9. World Population Growth and Response (1965 - 1975) - 1976

This book by the Population Reference Bureau, Inc. provides an overview of major population developments 1965 - 1975 -- worldwide, regional, and in individual countries. It was published in April, 1976 and funded by an A.I.D. contract.

10. World Population Trends: Signs of Hope, Signs of Stress (1976)

This October 1976 paper was drawn from Lester R. Brown's forthcoming book, The Twenty-Ninth Day. Mr. Brown is President of Worldwide Institute. The paper is an analysis of the relationship between world food stocks and population.

11. Challenge of World population Explosion: To Slow Growth Rates While Improving Quality of Life (1976)

This is a November, 1976 report to the Congress by the Controller General of the U.S. It is the first in a series of reports on world population growth and its impact on the quality of life in developing countries. This report addresses (1) population issues on a world-wide basis, (2) interrelationships

between population growth and economic and social development, and (3) population-related activities, including those funded by the Agency for International Development.

12. A Look to the Future - The Role of Voluntary Agencies in International Assistance (1974)

This April, 1974 study was prepared by A.I.D.'s Advisory Committee on Voluntary Foreign Aid. The report includes a variety of recommendations for strengthening and broadening the partnership between government and voluntary agencies; joint action between United Nations bodies and U.S. voluntary agencies; coordination of agencies' services in foreign disasters; increased emphasis on long term development by voluntary agencies; joint attention by the U.S. Government and voluntary agencies to revising regulatory and administration processes governing food distribution programs; collaborative efforts by voluntary agencies to broaden the base of public support for voluntarism; continuous review, in light of evolving roles of voluntary agencies in foreign assistance, of the subject of registration of voluntary agencies with the U.S. Government through the Advisory Committee.

13. For a Better World - A.I.D.'s Partnership with Private and Voluntary Organizations (1976)

An AID overview published in July, 1976 covers such areas as food aid, refugee aid, disaster relief and development assistance, with case studies of representative organizations. Reprint of a bicentennial, single-subject issue of War on Hunger.

14. Giving in America: Toward a Stronger Voluntary Sector (1975)

A 1975 Report of the Commission on Private Philanthropy and Public Needs. The report recommends ways in which philanthropy can be strengthened. The recommendations fall into three categories: proposals involving taxes and giving; those that affect the "philanthropic process;" the inter-action between donors and donees and the public; and, a proposal for a permanent commission on the nonprofit sector.

15. Private Philanthropy: Vital and Innovative? or Passive and Irrelevant? (1975)

A 1975 report with recommendations of the Donee Group; a coalition of public interest, social action and volunteer groups who were advisors to the Commission on Private Philanthropy and Public Needs, and who represent the minority opinion.

16. A.I.D. Research Abstracts

Quarterly - 14 Selected Volumes-July 1973 through October 1976.

17. A.I.D. research 1971 - 1973

Objectives and Results of AID Research Programs in Critical Problem Areas.

18. A.I.D. Research Program 1962 - 1971

Project Objectives and Results.

19. A.I.D. Memory Documents Research 1962 - 1972 in Two Volumes

Volume A, issued in 1973
Volume B, issued in 1974

C. STUDIES OF A.I.D.'s INTERNAL ORGANIZATION/OPERATIONS/PERSONNEL

1. Report on Integrating Aid Resources and P.L. 480, Title II (1976)

A July 1976 report on the conduct of four A.I.D. seminars - two in Washington and two in Africa - to further a recognition of the importance of and opportunities for integrating grant food aid resources with country development efforts.

2. A.I.D. Leadership Meeting on Role and Functions of the Technical Assistance Bureau (1976)

A July, 1976, A.I.D. report on the subjects discussed at a senior officers' three day meeting; the actions recommended to the Administrator, and record of his decisions thereon.

3. Affirmative Action Plan for FY 1977 (1976)

This plan is produced by the Office of Equal Opportunity Programs with contribution by other management offices and various employee groups. It consists of an assessment of the current status of equal employment opportunity within the Agency, accomplishments in achieving the goals of the former Affirmative Action Plan and specific action items for the coming year.

4. Status of Minorities and Women in A.I.D. (1976)

This report was prepared for presentation to the Senior Operations Group of A.I.D. in April 1976. It includes tables showing numbers and percentages of minorities and women at different grade levels and in the various offices/bureaus in the Agency. In addition, there is a short narrative analyzing the data.

5. A Study of A.I.D.'s Participant Training Program and the Office of International Training (1976)

This 9-volume study by Arthur Young & Company was published in March 1976. Most of the detailed recommendations have been implemented; a few were rejected and the remainder are to be implemented in 1977.

6. Report of the Administrator's Task Force on the Development of an Integrated System for Planning, Budgeting, Accounting and Reporting (PBAR) (1974)

The October 1974 report, approved by the Deputy Administrator, contained detailed recommendations on individual agency processes (Planning; Budgeting; Activity Identification, Design, Review and Approval; Implementation; Evaluation) and the Management Information System related thereto. There were also more general recommendations and proposed priorities for Task Force action that were accepted. The Task Force completed its work on October 30, 1976. The few remaining actions will be completed in early 1977.

7. Institutional Development Agreement - A New Operational Framework for A.I.D. and Universities (1970)

This is a 1970 joint report of a Joint Committee of the National Association of State Universities and Land-Grant Colleges and A.I.D. The Committee was asked to consider and recommend measures to improve operating arrangements between A.I.D. and universities, including possible arrangements for experimental type of A.I.D. grants to universities for overseas Technical Assistance projects.

D. SPECIAL DIRECTORIES

1. Reference Manual of Private Voluntary Agency Technical Assistance Programs currently supported by AID/PHA/PVC (1974)

   This July 1974 publication describes private voluntary agency programs supported by technical assistance grants from AID/PHA/PVC.

2. Voluntary Foreign Aid Programs (1975)

   A December 1975 report of American voluntary agencies engaged in overseas relief and development which are registered with the Advisory Committee on Voluntary Foreign Aid.

3. Directory of Services provided by A.I.D. Bureau for Technical Assistance (1976)

   The directory was issued in June, 1976.

4. A Directory of Institutional Resources Supported by Section 211d Grants (1975)

   The directory was published by A.I.D. in June , 1975.

5. Federal International Development Office Directory (1975)

   A.I.D. published the directory in June, 1975.

E. MISCELLANEOUS INFORMATION

1. Principal A.I.D. Periodic Publications

War on Hunger - a monthly publication which focuses on current problems and activities relating to food, population and other development problems.

Front Lines - a biweekly Agency newspaper distributed to all A.I.D. personnel, former employees and individuals and organizations closely associated with A.I.D. activities.

2. Miscellaneous Unclassified Documents Prepared by the Agency's Information Staff for Public Consumption

A.I.D.'s Challenge in an Interdependent World - 1976

Facts about A.I.D. - one-page fact sheet on Agency programs and purpose.

Facts and Fallacies - responses to frequently expressed misconceptions about foreign aid.

Assorted miscellaneous publications - on aid-related subjects ("Aid and Agribusiness" etc.)

News releases, supplements mailed to newspapers ("Food" and "Smallpox") and Weekly Log of press clippings on aid-related subjects circulated to top Washington officials and overseas missions.

Prize-winning Poster - "No Child Will go to Bed Hungry"

Films - the following films produced by OPA over the past two years will be made available for viewing on request (Telephone 632-8628):

Pakistan--Land of Promise
Running time: 14:30 - Color.
Deals with problems and uses of water in Pakistan; tells the story of construction of massive Tarbella Dam and utilization of water from this dam for power and irrigation. Film depicts role of A.I.D. and other nations in construction of the dam and improvement of agriculture of this country. Gives vivid picture of Pakistan and its people as they strive to better their lives.

Guatemala--In the Face of Disaster
Running Time: 14:30 - Color.
Dramatically shows how the U.S. and other nations responded when Guatemals was hit by a devastating earthquake on February 4, 1976. Shows the utter destruction of mountain towns and villages, treatment of injured by U.S. Army field hospitals, and distribution of emergency food.

Bangladesh--A Beginning or an End
Running time: 14:30 - Color.
Depicts hunger, malnutrition, and overpopulation presently existing in Bangladesh. Shows programs of United States, United Nations, and private voluntary agencies in providing relief, fostering agriculture, and further developing this struggling country.

Survival in the Sahel
Running time: 14:30 - Color.
Depicts the devastating effects of a severe drought which affected the countries on the southern edge of the Sahara desert; documents what is being done to prevent starvation and to improve the lives of

the nomads and farmers living in the region; shows the emergency relief efforts of the United States, other nations, voluntary agencies and international organizations.

F. RECENT CONGRESSIONAL DOCUMENTS

1. Foreign Assistance Act of 1961, as amended

Section-by-Section Analysis, Volumes I and II, 1976

2. Development Assistance Authorization (FY 1976-FY 1977)

P.L. 94-161 (H.R. 9005) -- The International Development and Food Assistance Act of 1975

Conference Report on H.R. 9005 (No. 94-691)

HIRC Report on H.R. 9005 (No. 94-442)

SFRC Report on H.R. 9005 (No. 94-406)

Senate Agriculture and Forestry Committee Report on H.R. 9005 (No. 94-434)

HIRC Hearings and Markup of the International Development and Food Assistance Act of 1975

SFRC Hearings on the Foreign Assistance Authorization (S. 1816 and H.R. 9005)--1975

3. Security Assistance Authorization (FY 1976-FY 1977)

P.L. 94-329 (H.R. 13680)--The International Security Assistance and Arms Control Act of 1976

Conference Report on H.R. 13680 (No. 94-1272)

HIRC Report on H.R. 13680 (No. 94-1144)

SFRC Report on S. 3439 (No. 94-876)

Conference Report on S. 2662 (No. 94-1013)

HIRC Report on H.R. 11963 (No. 94-848)

SFRC Report on S. 2662 (No. 94-605)

HIRC Hearings on International Security Assistance and Arms Export Control Act of 1976

SFRC Hearings on International Security Assistance

4. Foreign Assistance Appropriations (FY 1977)

P.L. 94-441 (H.R. 14260)--Making appropriations for Foreign Assistance and related programs for the fiscal year ending September 30, 1977

Conference Report on H.R. 14260 (No. 94-1642)

HAC Report on H.R. 14260 (No. 94-1228)

SAC Report on H.R. 14260 (No. 94-1009)

HAC Hearings on FY 1977 Foreign Assistance and Related Programs Appropriations:
- Part 1, Military Assistance and Related Agencies (Development Banks, etc.)
- Part 2, Economic Assistance (A.I.D.)

SAC Hearings on FY 1977 Foreign Assistance and Related Programs Appropriations

5. Other

New Directions in Development Aid, Excerpts from the Legislation (Prepared by the HIRC)

Implementation of "New Directions" in Development Assistance--A.I.D.
Report to the HIRC on implementation of legislative reforms in the Foreign Assistance Act of 1973

A Basic Human Needs Strategy of Development (HIRC Staff Report on the World Employment Conference)

The United States, FAO and World Food Politics: U.S. Relations with an International Food Organization (Senate Select Committee on Nutrition and Human Needs Staff Report)

Congress and Foreign Policy--1975 (by the HIRC)

Report by Congressional Advisors to UNCTAD IV

Hearings by the HIRC Subcommittee on International Resources, Food, and Energy Regarding the Right-to-Food Resolution

Science, Technology, and Diplomacy in the Age of Interdependence (Prepared by the Congressional Research Service for the HIRC Subcommittee on International Security and Scientific Affairs)

Legislation on Foreign Relations with Explanatory Notes (April 1976)

Key: HIRC--House International Relations Committee
SFRC--Senate Foreign Relations Committee
HAC--House Appropriations Committee
SAC--Senate Appropriations Committee

G. A.I.D. PROGRAM DATA

1. A.I.D.'s FY 1977 Budget Request to OMB

   The request is dated October, 1975.

2. FY 1977 Congressional Presentation (1976)

   This is A.I.D.'s multi-volume presentation published in February, 1976.

3. FY 1977 Operational Year Budget

   A document which contains data on the programming of funds appropriated by the Congress for FY 1977.

4. Program Planning Documentation (1976)

   FY 1978 Guidance (to field missions) for preparation of the Annual Budget Submission (AIDTO Circ A-201 dated April 6, 1976). It largely completes the integration of USDA funded P.L. 480 Titles I and II with the A.I.D. budget.

5. A.I.D. Population Analysis Paper (1976)

   A comprehensive 1976 statement of Agency policy on population related assistance.

6. Population Program Assistance: U.S. Aid to Developing Countries (1975)

   The most recent annual report of the Office of Population, Bureau for Population and Humanitarian Assistance, which reviews the Agency's activities for support of population programs of developing countries in the period July 1, 1974, through June 30, 1975.
   It provides a comprehensive summary of this assistance, including related information regarding

the population situation and programs of AID-assisted countries.

7. U.S. Overseas Loans and Grants

A statistical report prepared by A.I.D. for the House Foreign Affairs Committee includes data on all loans and grants made by the U.S., as well as assistance from international organizations, from July 1, 1945 to the present. Data are organized by recipient country.

8. A.I.D. Report Required by Section 657, Foreign Assistance Act (1975)

Section 657 calls for a myriad of information on U.S. foreign assistance and other transactions.

9. Selected Economic Data for the Less Developed Countries (1976)

A.I.D. report of May, 1976 presents summary data by geographic region and by country.

10. GNP - Trends by Region and Country 1950-1974

Published by AID in 1975.

11. Food and Total Agricultural Production in the Less Developed Countries 1950-1975

A.I.D. publication of July, 1976