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Requirements for an Effective Urban Program  
in Under-developed Areas

by: Mager and Simons

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# REQUIREMENTS FOR AN EFFECTIVE URBAN PROGRAM IN UNDERDEVELOPED AREAS

## Introduction

There are serious difficulties in attempting to generalize about the social and economic development-problems of underdeveloped countries with varying population-resources ratios, socio-economic institutions and cultural patterns. The tempo of development of an economy is, of course, the joint product of a number of basic factors, such as the growth of the labor force and the character of its composition, the rate and direction of investment, the available technology and its progress, the efficiency of the social institutions in spurring economic growth, and so forth. Notwithstanding the difficulties, the attempt to set forth the requirements of an effective urban program may serve to highlight important problems of development which might otherwise be overlooked.

Without becoming involved in the semantics of the term "urban," it is pretty generally recognized that the less developed areas are desirous of achieving the best that the West has to offer in material accomplishment, of bridging the gap between "underdeveloped" and "developed." In this sense an urban program for underdeveloped countries would seek to approximate in so far as possible the standards already achieved by the more developed countries --- sanitation in place of filth, homes in place of hovels, education in place of illiteracy, modern factories in place of sweat shops, mechanical power in place of human power, etc. Their urban problems are as numerous as the contrasts between what they have and what they would like to have.

However desirable, it is unlikely that the gap between what they have and what they would like to have will be bridged in the foreseeable future. It is important for our purposes, however, that the heady stuff of which development dreams are spun be assessed in realistic terms. An "effective" program -- that is, a program adequate to achieve the ends desired -- would necessarily have to satisfy certain basic conditions.

Urban development in the sense herein employed is synonymous with economic and social development, and involves action upon certain strategic factors operative in underdeveloped countries to stimulate beneficent processes of self-generating change. It is different from the species of planning which consists of making long detailed lists of things that need doing in various areas of life, adding them up, and then assuming that the sum total constitute a program for development. While projects as such are indispensable elements in any plan for economic and social development, they are significant in relation to the overall goals toward which planning is directed.

What, then, are the requirements for an effective urban program in underdeveloped areas?

## Discussion

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## Discussion

### I. A Sizeable Increase in Agricultural Production

Putting first things first, primary industries come before secondary, agriculture before industry. This can be illustrated by taking an admittedly extreme case -- India.

Although India produces sixty million tons of food grains annually, her population on rations grows larger each year -- 114 million in 1950, 125 million in 1951, 140 million in 1952.<sup>1/</sup> Both per capita acreage under food crops and per capita food consumption have fallen in recent decades. Twenty years ago Indians consumed some 370 pounds of food grain per capita per year. By 1950-51 this had declined to 315 pounds, and by 1956, in the absence of development, will be down to about 300 pounds. Between 1950 and 1960 India's population will have increased by 45-50 million. The implications for the food supply are obvious. Today total food consumed in India averages 1,760 calories per capita per day as against 2,000 calories prescribed by the FAO as the minimum to sustain health in tropical countries.

The annual increase of population in India requires 700,000 tons of additional food grains each year. Over a decade some 7,000,000 additional tons are required just to keep pace with the growth in population. There is general agreement among observers that by 1960-61 India's food grain deficit, in the absence of effective development measures, will reach 10-12 million tons.

Food grain consumption in 1956, with the agricultural development contemplated in the Plan, may reach 350 pounds per capita, whereas in the absence of development it would be some 300 pounds, a prospective gain of about 50 pounds. But the 350 pounds is still 20 pounds less than the quantity consumed per capita in the late 30's -- viz., 370 pounds.

While India's agricultural problem is admittedly extreme, a similar problem in lesser degree confronts many of the underdeveloped countries of the world today. Sufficient resources for the development of secondary industries wait upon increases in agricultural productivity and per capita consumption.<sup>2/</sup>

Prospects

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<sup>1/</sup> See "Problems of Economic Development in India," Jerome B. Cohen, Economic Development and Cultural Change, No. 3, October 1952.

<sup>2/</sup> This is why India is devoting only 6.7% of its total outlay under the Five Year Plan to industry as compared to 43% for agricultural and rural development, irrigation and power.

Prospects for industry in many underdeveloped countries depend in large measure on increasing export of agricultural products and raw materials. With the exception of a few countries with rich mineral resources for export, the underdeveloped areas must depend on substantial increases in agricultural production in order to finance economic development. While much can be accomplished by improvements in subsistence and commercial farming for home consumption, a crucial element for economic development of the majority of the underdeveloped countries is the ability to sell agricultural surpluses on the world market in order to acquire the means for obtaining essential raw materials and machinery from abroad which cannot be provided at home. These are needed to build up the public utilities structure so essential to economic development (power, transportation, and the like) as well as to provide important needs of new industry and commercial agriculture. But instead of surpluses, many of the undeveloped areas are suffering agricultural deficits, with a consequent drain on foreign exchange otherwise available for the importation of machinery, chemicals, etc. vital to industrial development.

The prospects for urban development have been improved by the emphasis on increasing agricultural productivity. They would be further improved by reforms in land tenure and the establishment, or extension, of agricultural credit facilities for ownership, production, processing and marketing. Increased food availabilities stemming from food canning and processing, storage, transportation, boat building and tool manufacture would likewise contribute to urban development. Finally, revision in the tariff structure and existing systems of agricultural subsidies of the industrialized countries would make a substantial contribution to the economic and social development of the underdeveloped countries.

The first requirement for such development, however, is a sizable increase in agricultural productivity.

## II. A Highly Selective Rather Than An Unreflective Transfer Of Western Technology

The TCA program centers in large part on the desirability of transferring Western technology and know-how to the underdeveloped areas. Important though this undoubtedly may be for the establishment of new industries and the improvement of agriculture and industrial processes, it is only a part of what needs to be done and possibly not the most important at that.<sup>3/</sup>

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<sup>3/</sup> See "The Requirements of an Effective Point Four Program," Harvey S. Perloff, Economic Development and Cultural Change, No. 3, October 1952.

The capital-labor ratio is different in most of the key underdeveloped countries from what it is in the United States. In Asia and other underdeveloped areas the need is for industries that are capital-saving and labor-using to reduce the wastage of Asia's most plentiful resource, its labor. Modern large-scale industry in the United States, however, tends to be capital-using and labor-saving.

Mr. Charles Wolf in a report of his recent trip through South Asia has indicated the importance of the capital-labor ratio:

"The Sindri fertilizer plant, for example, -- a sixty million dollar enterprise which is the largest plant of its kind east of the United Kingdom, employs only 3,000 people. The proposed \$17 million Daud-Khel fertilizer plant in Pakistan, will employ only about 500 workers when in full operation. By contrast, in one small industries project which I visited in Indonesia, an investment of \$4,000 in one improved potter's shop employs 10 workers. Assuming a similar capital-labor ratio, an investment in such small industry, in the magnitude of Sindri's capital cost, would provide employment for 150,000."

A program of economic and social development for strategically important underdeveloped areas must satisfy not only the needs for relatively small investments of capital to labor, but for new use of the resource base from which development must proceed. In view of the absence of large coal and oil deposits, it is relevant to inquire how far these countries can proceed toward economic growth by means of an unreflective transfer of our fuel technology. Or in view of the extent to which steel is employed in existing Western technology, to what extent are cheap coking coal, iron ore, limestone, and fresh water available for the domestic production of steel? As far as is known, only in South Africa and North China does the necessary combination exist in an undeveloped state sufficient to support a sizable industry.

In case of steel, what seems to be required is the development of a new cokeless method of producing steel economically from indigenous resources, or the development of an entirely new system based largely upon metals obtained by electro-reduction. There is likewise need for new sources of energy, new sources of fuel, a very much more rapid reduction than heretofore possible in the cost of producing light metals as a substitute mineralogical base for industry, the development of substitute materials for the manufacture of acids and other chemicals, and the development of new protein sources through manufacturing processes based on the use of algae, etc. to meet the chronic food shortages.

Prospects for economic development would be quite different if underdeveloped countries could be provided with cheap solar energy, cheap processes for getting aluminum from common clay and magnesium from

sea water, as well as an industrial technology based on such energy and light metals; if there were many uses for the resources, by-products and waste-products available in abundance; if new production processes required relatively low inputs of capital and energy.

A realistic approach to economic development must shun the crude over-simplification of transferring Western technology and know-how and emphasize the importance of basic and applied research directed at developing a new technology based on a maximum utilization of domestic resources, human and non-human. Since it will be necessary to work with the specific resources available in the underdeveloped areas, some experimentation will have to be carried out under the primitive and other special conditions prevailing in these areas. There will be need to establish well equipped regional research centers in various parts of the world in addition to using existing research facilities under government contract.

Finally, in attempting to guide the economic development of underdeveloped areas, we must be on guard against a perfectly natural tendency to generalize on the basis of our own experience and pay little heed to important, even crucial differences, between their experience and our own. The latter are often the more significant. The technology of the West, particularly of the so-called frontier countries, developed under a much more favorable capital-labor ratio than exists in the underdeveloped countries today; it could advance on a very broad front without the serious limitations and the much greater ingenuity called for when available materials are severely restricted. Countries of the West have also enjoyed the economic advantage of being able to exploit the lesser developed parts of the world for their own gain, obtaining cheap raw materials, protected markets for their products, and returns on protected colonial investments. Economic development proceeded by and large at a time when savings could be directed into a new capital formation without large diversion for social welfare measures in the form of public housing, social security systems and recreational facilities. There were no strong labor unions to challenge reinvestment of profits in plant expansion.

In highlighting these differences, there is no disposition to express a value-judgment; only a desire to emphasize the magnitude of the problem faced by the presently underdeveloped areas of the world. Public housing, hospitals and security services are all to the good, but only a relatively small part of what savings take place in underdeveloped countries today can be channelled into directly productive investments.

It is of vital importance, therefore, that TCA give greater consideration to the problems posed by the different capital-labor ratios of developed and underdeveloped countries respecting utilization of

resources,

resources, human and non-human. For an economically undeveloped country to achieve substantial development at this stage of history is a matter of the greatest difficulty. No program can be expected to be successful unless the means are both appropriate and sufficient. What would be eminently desirable is the development of a new technology appropriate to the resources of the underdeveloped countries rather than to our own.

### III. Expansion Of Enterprise At The Local Level

Economic development for underdeveloped countries involves a transition from an essentially subsistence to an exchange economy, and one of the salient features of their economies is the large proportion of resources engaged in production for direct subsistence. This sector of the economy has remained relatively stagnant in comparison with the exchange sector, concerned largely with the export market, well-established in the use of money, and tending to grow from its own resources.<sup>4/</sup>

The subsistence sector, containing the bulk of the population who live in small villages, ranges from very primitive tribal communities with only the most rudimentary division of labor and practically no accumulation of capital, to fairly advanced village communities practicing a certain amount of exchange. The principal concern of the subsistence sector is necessarily with food, so that agriculture and animal husbandry constitute the main economic activities. In the absence of machines and power and anything more than an elementary degree of specialization, the productivity of labor is very low.

The process of economic development consists of increasing the productivity of labor, partly by increasing the extent and intensity of specialization and partly by increasing the amount of capital equipment at its disposal. The growth of the monetary exchange sector at the expense of the subsistence sector is evidence of the process at work.

Up to now, economic growth in underdeveloped countries has been achieved by the establishment of new enterprises in the existing monetary exchange sector, or by the extension of that sector by exploitation of some resource in the subsistence sector. The fundamental orientation was in the direction of foreign trade, with the sale of output abroad yielding a supply of foreign currency available, among other purposes, for financing the import of capital equipment for the further expansion of the exchange sector. The principal effect of this type of investment on the subsistence sector was likely to be the withdrawal, temporary or permanent, of rural workers for employment in the exchange sector. It

might

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<sup>4/</sup> See Economic Development of Under-Developed Countries: Integrated Economic Development: U.N. Economic and Social Council, E/2384, 25 March 1953.

might result in a reduction of unemployment/under-employment in the subsistence sector, but rarely contributed to a higher standard of living within that sector. In many cases it tended to disrupt the established pattern of society without substituting anything more productive, leaving the average level of food supply unchanged, if not worsened, and the economic and technological organization of the subsistence sector untouched.

The economic development of the subsistence sector is not likely to be achieved very rapidly, if at all, merely as a by-product of the process of development proceeding from the exchange sector. Such development will require action of a more direct nature if the transition to an exchange basis is to be accelerated and made as smooth as possible.

The developmental problem of the subsistence society is the dual one of increasing the amount of capital and skill available in that society and assisting in the growth of institutions through which this capital and skill can be effectively employed in the process of occupational diversification. The most likely means of bringing this about is the creation within the subsistence sector of conditions favoring the internal growth of the division of labor, the use of more capital, and the evolution of local systems of exchange.

The process of development within the hitherto sluggish and stagnant subsistence sector might be stimulated by seeking to increase systematically the degree of economic diversification within the limits set by local resources. This would involve the establishment of enterprises based largely, if not exclusively, upon the utilization of local labor, local raw materials, and wherever possible local capital, and designed primarily to cater to the requirements of the local market. Enterprises of this nature would have to be organized in most instances with the support of the local community and on the basis of small-scale units.

The industries most likely of adaptation to local operation on a small scale are grain milling, oil expressing, brick making, soap making, cotton ginning, carding, spinning and weaving, and clothing manufacture; then, less frequently, lumber milling, timber seasoning, furniture making, fibre and building board manufacture, paper making, sugar refining, alcohol distilling, and blacksmithing and metal working; and, finally, where local conditions are suitable, such activities as the production of chemical fertilizers, farm implements and cement, as well as mining and smelting, food canning and engineering.

Small-scale enterprise as here conceived must be clearly distinguished from the handicraft or cottage industries which tend to grow up in the village economy. Although they would be designed to

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cater to local requirements, the production units would in no sense be primitive; they would represent an advanced form of modern technology, serving to introduce the villager to power-operated machinery and to many other aspects of factory organization which contrast with the simple tenor of subsistence society.

It might seem paradoxical to suggest that small-scale enterprises be equipped with modern machinery and employ modern techniques. The suggestion might appear to run counter to modern trends. This is not invariably so. Much of the mass production in advanced countries is not a technical necessity but a reflection of market conditions and of the fact that in these countries overhead costs both of manufacture and of distribution tend to be very heavy and hence economically tolerable only if spread over a sufficiently large output. Technological advance has, in fact, made possible the construction of many smaller machines which need not be operated in large factories if demand does not warrant it. The capital costs, moreover, would be considerably lower than those in advanced countries due to the absence of expensive and intricate devices to insure automatic or semi-automatic operation. These would be uneconomic in areas where labor-intensive investment is required.

While local small-scale enterprise might have a good chance of tapping local savings, very few village communities are likely to be in a position to finance many such units from their own resources. Where this is true, the plants might be built by the development authority of the central government and turned over to the local community. Economic development through the establishment of a small-scale industry need not depend on the community's present ability to save. Such investment must also be assessed in terms of the availability of labor and the potential increase in its productivity.

In most cases, however, only marginal funds would need to be obtained from abroad: the bulk of the money could probably be raised internally, partly from budget appropriations, partly from borrowing. More important than initial finance are likely to be problems of organization -- and here the central government would have to maintain a certain amount of central control, both for the sake of fitting each industry into the general pattern of integrated development and in order that experience might be widely shared and the repetition of errors avoided; for the dissemination of experience gained in any pilot plants set up on a regional basis for research and training; and for the preparation and training of the local subsistence communities in effective cooperation.

Expansion of enterprise at the local level would serve to stimulate self-generating processes of economic development in what have been the most stagnant sectors of the underdeveloped economies, raise levels of productivity and income, provide opportunities for gainful

employment

employment to the rural under-employed and unemployed, and arrest the exodus from the villages to the larger urban centers. The process could be brought about by combining local resources, human and non-human, with resources provided by the central planning agency or development corporation. It would bring the city to the farm -- a major development of the utmost significance, if it could be brought to pass.

IV. A Disposition On The Part Of The Underdeveloped Countries To Encourage The Creation Of The Basic Conditions For Industrial Progress

While most underdeveloped countries wish to promote economic and social development, there is often a deplorable lack of know-how as to how to do so. They would like to accomplish in a generation what has taken the West sometimes centuries to achieve.

In many instances the attempt to accelerate the tempo of economic development has been accompanied by severe stresses and strains. In the face of mounting pressures of expanding populations, agricultural production has often remained stationary or declined. With low levels of domestic savings and inadequate taxation, necessary financial resources have often been provided by inflation of currency and credit. Resources have been diverted from the working requirements of industry and commerce to speculative uses in inventories and real estate based upon expectations in regard to price movements; from financing the foreign exchange requirements of a development program to the accumulation, in the expectation of depreciation, of foreign exchange assets in anticipation of revaluation profits. These processes in turn have served to impede economic development by retarding the growth of financial institutions, and the channeling of private savings into investment. The pressures to increase imports and to decrease exports under conditions of internal inflation have contributed to balance-of-payments difficulties, to the tightening of exchange restrictions and import and export controls, and to the freezing of international capital movements.<sup>5/</sup>

Many underdeveloped countries with programs of economic development need advice in mobilizing and making more effective use of their own domestic resources, in attracting foreign resources, and in training personnel for high economic and administrative functions. Such advice based on a comprehensive study of a country's resources and institutions could conceivably relieve some of the stress and strain to which its economy has been subjected and contribute to policy-making conducive to sound development.

As new

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<sup>5/</sup> See "Technical Advisory Services for Developmental Investment," Harold Mager, TCA/P.

As new countries as well as older countries settle down to the task of taking inventory of their resources and ordering their own economic life, we may hope that there will be a growing disposition to forget ancient fears and hostilities and come to grips with current problems realistically. There is increasing awareness of the importance of capital, or capital formation, for economic progress, whatever the political complexion of the society. The really important question is what form capital formation is to take -- will it be achieved by force and compulsion? Or will it be achieved by encouraging individual incentives and releasing free human capacities? The U. S. has a vital stake in the answer to this question.

The development of underdeveloped countries can be accelerated by increasing the volume of investment. Countries can be assisted in diverting resources, wherever feasible, from consumption to investment; in diverting resources that would otherwise be used for non-developmental investment; in mobilizing unemployed or under-employed resources; and in obtaining additional resources from abroad in the form of loans for direct investment. These are delicate economic tasks of a highly technical order. While the United States can assist by providing the necessary know-how, there must be a disposition on the part of the under-developed country to put its own house in order and establish the conditions for self-generating development.

#### V. An Increased Flow Of Private And Public Foreign Investment

Urban development in underdeveloped countries will require a sizable increase in public lending to finance basic projects which are frequently essential to a subsequent flow of private capital. The IBRD and the Eco-Dev Bank finance undertakings not considered appropriate for private investment because of the nature of the undertaking or the unavailability of private investment funds on reasonable terms. The need for investment in the basic utilities; hydro-electric power, transportation, communications, port and harbor development, irrigation, drainage and reclamation projects, sewage systems and the like -- all projects requiring large capital investment -- is very great, and the absence of basic facilities in many countries is a major obstacle to the flow of private equity capital which is unable, as a result, profitably to participate in the development of known resources.

A major part of the foreign capital required for economic development abroad will need to be obtained from private sources. In manufacturing and extractive industries, fixed capital requirements are often relatively large and patents, techniques, and management skills are essential to successful operation. In the distribution and service industries, which increase at an accelerated tempo as economic development proceeds, the need for special skills and entrepreneurial ability is high. It is in these fields particularly that American private

investors

investors can contribute not only capital funds, but enterprise, managerial experience, and technical knowledge to the development process.

Private investment from the United States can make a fundamental contribution to economic development abroad. In relation to United States income and savings and to the need for American development capital abroad, however, recent levels of net private capital flow abroad seem low. The rate of U. S. private foreign investment will need to be stepped up, and capital will need to flow into more diversified areas of investment, if a substantial contribution is to be made to the economic and social development of the underdeveloped countries.

#### VI. Deliberate Public Effort At Reducing The Rate Of Population Growth

While a number of underdeveloped countries, particularly those in South America, have embarked on development with a relatively favorable population-resource balance, the strategically important countries are in quite different position. The ratio of population to arable land and to present or even anticipated employment opportunities indicates "over population." With modern developments in sanitation, medicine and public health, mortality rates have decreased in most of the underdeveloped areas. Many countries now face what has aptly been referred to as a "population explosion." The population of India, as has been indicated, is increasing by some 45-50 million in the present decade.

In some of the underdeveloped countries population is increasing faster than the domestic food supply, with food shortages threatening to become endemic. The importance of increased agricultural productivity has already been pointed out. Of equal importance is relief from the pressure of expanding population. If population continues to increase faster than agricultural productivity, per capita productivity and per capita consumption will decrease, unemployment and under-employment will continue to grow, and underdeveloped countries will be less able to divert resources from primary to secondary industries for urban development. It is one thing when rural population is rendered surplus as a result of increased agricultural productivity; it is quite another when the population becomes surplus as a result of a fall in the death rate. The former provides the basis for economic growth and development; the latter, for a more bitter struggle for survival.

Many of the underdeveloped countries of Asia and the Middle East cannot be content with waiting for the eventual flattening of the population growth curve. The suffering may bode ill for the prospects for survival of any moderate democratically disposed regime.

Efforts to promote economic and social development may be completely frustrated by failure to come to grips realistically with the continuing "population explosion."<sup>6/</sup>

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<sup>6/</sup> See "A Design for Some Experiments in the Limitation of Population Growth in India," W. F. Ogburn, in *Economic Development and Cultural Change*, No. 5, February 1953.

The six requirements discussed above -- Increasing Agricultural Productivity, Selective Transfer of Technology, Expansion of Enterprise at the Local Level, A Disposition To Industrialize, Increased Flow Of Foreign Investment, A Deliberate Public Effort to Reduce Population Growth -- constitute the basic conditions for an effective program of urban development in underdeveloped countries. It will not be necessary to fulfill all the conditions in the same measure everywhere. The population-resource ratio is certainly different in Brazil from in India. Important variations within regional areas exist -- for example, between the rice bowl and the food deficit countries of Asia. The factors outlined, however, are strategic to all underdeveloped areas, and will condition in larger or smaller measure the degree of urban development they are likely to achieve. They are particularly important for our own thinking in suggesting the activities that should be undertaken to stimulate processes of beneficent self-generating change.

It is to activities we might undertake -- policy recommendations, if you will -- that we now turn our attention.

#### Recommendations

The discussion above has attempted to point out some of the important strategic factors involved in processes of self-generating change in underdeveloped countries. With appropriate actions taken by underdeveloped countries, these factors are instruments for accelerating considerably the processes of economic and social development. But the actions to be taken are primarily the responsibility of the countries seeking development, not that of the United States. The role of the U. S. is to advise and assist, wherever possible. Advice and assistance from the U. S. should proceed through TCA, and involves an extension of the services associated with technical assistance to include developmental planning in hitherto neglected fields.

1. Urban development of underdeveloped areas will involve TCA assistance in almost all areas of social and economic development. Primary emphasis should be given the strategic factors associated with processes of self-generating change through projects that:
  - A. -- Increase agricultural productivity, including processing of foodstuffs and raw materials, agricultural credit for ownership, production and marketing, etc.
  - B. -- Develop a new technology appropriate to the resources of the underdeveloped areas, by establishing regional research centers and national productivity centers to encourage industrial development efforts and provide

efficient

efficient basic techniques adapted to a nation's particular needs; by conducting basic engineering surveys in production planning and control, plant layout, materials handling, methods engineering, process methods, personnel practices and labor-management relations in such fields as textiles, food processing, shoes, metal products, etc.

- C. -- Expand enterprise at the local level by creating within the subsistence sector of underdeveloped economies conditions favoring the internal growth of the division of labor, the use of more capital and the evolution of local systems of exchange through the utilization of local labor, local raw materials, and wherever possible local capital, catering to the requirements of the local market in such locally-adapted industries as grain milling, oil expressing, brick making, soap making, cotton ginning, carding, spinning and weaving, and clothing manufacture; then, less frequently, lumber milling, timber seasoning, furniture making, fibre and building board manufacture, paper making, sugar refining, alcohol distilling, and blacksmithing and metal working; and, finally, where local conditions are suitable, chemical fertilizers, farm implements and cement, mining and smelting, food canning and engineering.
  - D. -- Create a favorable milieu for industrial progress, such as comprehensive studies of a country's resources and institutions, national accounts, sources of capital formation, balance-of-payments principles, techniques for more effective mobilization and utilization of local and foreign resources.
  - E. -- Increase flow of private and public foreign investment, such as creation of top-level study groups to analyze and recommend legislation and administrative practices favorable to foreign investment.
  - F. -- Reduce rate of population growth, such as experiments designed to test efficacy of population control program based on date of ovulation in women's menstrual cycle.
2. The Program Planning Staff of TCA/W in association with the relevant Technical Services Staffs and the cooperating technical agencies, should:

A. -- As an

- A. -- As an aid to increasing agricultural productivity, undertake to recruit a panel of experts conversant with all phases of agricultural credit to advise and assist host governments on request on methods of mobilizing and utilizing domestic resources for agricultural development. The panel would operate from TCA/W.
- B. -- As an aid to the development of industry at the local level and the selective transfer of western technology at all levels, undertake to recruit a panel of scientists, engineers, and technicians experienced in the problem of modern industrial technology, to advise and assist host governments on request on methods of mobilizing and utilizing domestic resources, and adapting foreign resources, for industry-development. The panel would operate from TCA/W.
- C. -- As an aid to reducing pressure of expanding populations, undertake to recruit a panel of physicians, sociologists, cultural anthropologists and psychiatrists, to advise and assist host governments on request on developing experimental programs of population control based on the date of ovulation in women's menstrual cycle.<sup>7/</sup> The panel would operate from TCA/W.
- D. -- As an aid to encouraging developmental investment and the rational allocation of national resources, undertake to recruit a panel of specialists in the preparation and administration of national accounts, monetary and fiscal policy, balance-of-payments problems, specialized financial institutions, investment problems, etc., to advise and assist host governments on request on methods of mobilizing and making more effective use of their own domestic resources, of attracting foreign resources, and of training personnel for high economic and administrative functions. The panel would operate from TCA/W.

3. From a

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<sup>7/</sup> The efficacy of the date of ovulation in preventing conception has been studied and is well known. The efficacy of such knowledge for lowering the birth rate in any country or community has yet to be determined.

3. From a "project" rather than an analytical or conceptual point of view, the list comprising the Annex to this paper covers actual and suggested urban development projects for underdeveloped countries in various fields of activity. Many of the projects are of primary significance in the sense of being associated with the strategic factors tied up with processes of self-generating change. Others are of less significance in this regard. The list is a handy check list on things-that-need-doing in certain fields, and is treated as a unit for this reason.

TCA/P:Kager :Simons :rw  
June 17, 1953

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ANNEX

Listing of Actual and Suggested Urban Projects Provided by  
Messrs. Castleman, Fasteau and Coutts

The Technical Cooperation Agencies have submitted lists of urban projects appropriate for Point 4 assistance. The following list was provided by Mr. Edward Castleman, Division of International Activities, Department of Interior:

1. Municipal domestic and industrial water supplies, including hydrologic investigations of ground and surface water resources, determinations of quantity and quality, etc.
2. Navigation and inland water transportation.
3. Port Development.
4. Flood Control.
5. Power Production and Marketing.
6. Fuels -- solid, liquid, and gas, including improved techniques in recovery, preparation, processing and utilization.
7. Processing, fabrication, etc. metallic and non-metallic minerals.
8. Topographic mapping of urban areas.
9. Engineering geological mapping of urban areas.
10. Town planning and surveys.
11. Small tract planning and disposal for business, home sites, and recreational purposes in vicinity of urban areas.
12. Legislative problems affecting tenure in urban areas, including disposal and leasing of land as distinct from improvements.
13. Land classification and appraisal in urban areas.
14. Processing distribution and marketing of fishery products.
15. Use of improved equipment and techniques in hand industries.
16. Tourism.

Other Agencies (Health, Sewage Disposal, Education,  
Transportation, Labor, Unemployment, etc.)

The following list was provided by Mr. I. Jack Fasteau, Program Coordinator, Office of International Relations, of the Department of Health, Education and Welfare:

HEALTH

1. Hospital and health centers construction - Greece; Latin American Countries.
2. Municipal water treatment and distribution systems - Tehran, Iran.
3. Food and milk control - Tel Aviv, Israel; Athens, Greece.
4. Venereal disease control - Rangoon, Burma.
5. Municipal Health Clinic - Monrovia, Liberia.
6. Malaria Control - Monrovia, Liberia.
7. Fly Control - Baghdad, Iraq.
8. Industrial Hygiene and Occupational Health - India.
9. Trachoma Control and School Health - Tripoli, Libya.
10. Laboratory Services - Jerusalem and Amman, Jordan.
11. Port Quarantine - Rangoon, Burma.

EDUCATION

Technical and Trade Training

1. Demonstration School in Beirut, Lebanon.
2. Demonstration School in Monrovia, Liberia.
3. Teachers College in Benghazi, Libya.
4. Language Center in Djakarta, Indonesia.
5. Commercial Education School in Jidda, Saudi Arabia.
6. Vocational Education Projects in Basra, Kirkuk and Baghdad in Iraq.
7. Rangoon Technical Education Project in Burma.
8. There is assistance to the University of Rangoon in Burma.

WELFARE

Services and Training

1. Medical social work--in hospitals, health centers, out-patient services.
2. Youth and Child Welfare--advise on institutions for dependent and delinquent youth including industrial schools; day nurseries for children of working mothers; group work services and recreational activities; social work in city schools; etc.
3. Training Activities--teaching courses in community organization, group work and other social work methods in schools of social work; staff development and in-service training courses; special institutes for staff of social agencies; etc.
4. Neighborhood Centers and Settlements--development of broad community programs through neighborhood houses, settlements, reaching large segments of a city population and engaging their cooperation in self-help activities.

Labour Welfare

1. Labour Commissioner, Punjab, Ambala.
2. Labour Commissioner, Travancore-Cochin State, Trivandrum.
3. Tata Iron and Steel Co. Ltd., Jamahadpur.
4. Indian Posts & Telegraphs Department, Telegraphs Workshop, Jubbulpore.
5. DOM Chemicals, Delhi.
6. Standard Vacuum Oil Co., Bombay.
7. Ministry of Labour, Government of India, Employees' State Insurance Corporation, Delhi.

Youth and Child Welfare

1. Yeravada Industrial School, Poona.

Medical Social Work

1. Occupational Therapy Department, King Edward VII Memorial Hospital, Bombay.

2. Irwin Hospital, Delhi.

Rural Welfare

1. Community Development Administration, Wilokheri.
2. Community Development Administration, Punjab.

Rehabilitation Centers

Cairo, Egypt - Planning is under way for development of a center for rehabilitation of the disabled other than the blind and to make the facilities of these Egyptian Centers available for regional training in rehabilitation for Arab countries. This Center will include a sheltered workshop and home industries.

Sheltered Workshop and Home Industries Programs

India - Planning is under way for a sheltered employment project in urban areas in India.

The following list was provided by Mr. Ray C. Coutts, Labor Officer of the TCA Labor Staff:

1. An Analysis of the labor force, involving assembling of data regarding available skills, need for developing skills, unemployment and employment data, general working conditions, and so on. In short, taking an inventory and evaluating it in terms of the specific conditions. This is indispensable to intelligent planning and in connection with capital investment.
2. Management policies, productivity of workers, and the status of trade unions.
3. Importance of trade unions in Point 4 countries in relation to subversive activities.