Mr. DanielRole

to leave clearance of
this in your competent
hands. I do think it ought to be edited
carefully - for accuracy
i.e. most Colombians
don't have a high table
hands in the eastern
part of the country and
Guatemala is not the center
of Mayan culture.

Roger Tubby
THE WHITE HOUSE
WASHINGTON

February 5, 1952

MEMORANDUM FOR MR. TUBEY

SUBJECT: Report of Operations under the Act for International Development (Point IV)

George Elsey and I have gone over this with Mrs. Kuhn. They are planning to prepare a new draft, making substantial changes in the Introduction. This should be ready in a few days.

Do you want to be informed of further progress as this thing goes along?

DAVID D. LLOYD

cc - Mr. Murphy
1/30/52

TO: DCL
FROM: CSM

In accordance with our telephone conversation.
Office Memorandum • UNITED STATES GOVERNMENT

TO: Mr. Roger Tubby, Assistant Press Secretary,
The White House

FROM: Mrs. Delia W. Kuhn, Acting Public Affairs Officer,
Technical Cooperation Administration

SUBJECT: First Annual Report on the Act for International Development

Here is the draft of the First Annual Report. It is now being cleared in TCA, and we would appreciate your comments and clearance as soon as you can conveniently let us have them.

We would like to mimeograph the final report for submission to the Appropriations Committees and our target date for final clearance is Tuesday, February 5th, after which we would hope the report could be sent to the Hill not later than February 10th.
FIRST ANNUAL REPORT ON THE ACT FOR INTERNATIONAL DEVELOPMENT

INTRODUCTION

On June 5, 1950, I approved an important act of the 81st Congress, the Foreign Economic Assistance Act. This act had five sections, each providing for a particular program of foreign aid. The fourth section was of special significance. It consisted of an Act for International Development which gave our basic foreign policy a powerful, new instrument: the Point 4 program.

The whole purpose of our foreign policy is peace. Peace based on freedom, justice and decent lives for all. Only as one of a community of free and prospering nations, dealing fairly with one another, can we hope to remain free and prosperous ourselves and confident of preventing—or if the worst happened, of putting down swiftly and surely—any act of armed aggression.

The world is torn by fear and strife today largely because too many people are free and prospering.

More than a fourth of humanity are prisoners behind an Iron Curtain. For most of them life was so difficult they could be tricked into thinking communism would improve their lot.

Of the people of the free world, more than a billion live in what we call underdeveloped areas. Over the centuries they have known many oppressors. Eventually they have driven out human conquerors. But others hang on. They are there today—poverty, hunger, ignorance and disease.
The people of the underdeveloped areas are attacking these ancient enemies anew. Once and for all they are through with freedom to starve. They are fighting for conditions of life in which political liberty has meaning. They are determined to have better lives.

In the Point 4 program we have become their allies.

I believe the Act for International Development will prove to be one of the great landmarks in the history of our country.

In the Point 4 program we are cooperating with other governments in programs of economic development. These programs are designed to enable people of less developed countries to make better use of their own resources, by their own efforts, for their own benefit.

The Act for International Development authorizes the President to send missions abroad to work directly with other governments and peoples in cooperative programs. It also authorizes the United States Government to contribute to cooperative programs of the United Nations and other international bodies such as the Organization of American States which have as their aim the raising of inadequate standards of living.

For the most part, these programs involve the sharing of technical knowledge and skill, knowledge and skill which other peoples can use to produce new wealth. That is what the underdeveloped areas need -- new wealth.

The underdeveloped areas are areas whose real economic resources are not being used fully enough to give their people good standards of living. They have great rivers, if these rivers are harnessed deserts
will bloom and new industries can spring up. Private capital will join in building new enterprises. One of the aims of the Point 4 program is to create conditions fostering profitable investment.

The underdeveloped areas are underdeveloped for a number of reasons. To some extent, the United States and other more developed nations are to blame. At one time or another we have all followed international economic policies which were ill-advised over the long run. Some were downright imperialistic. We realize that now. The Act for International Development opens with these words:

"The peoples of the United States and other nations have a common interest in the freedom and in the economic and social progress of all peoples."

But the main reason for economic "underdevelopment" was not selfishness. It was sheer ignorance. Mankind did not have the necessary knowledge and skill. Only in the past few decades have scientists and technicians found answers to the kinds of problems that have plagued the peoples of the less developed regions until now.

Thus, the term "underdeveloped" need offend no one. As we use it, the term implies the possibility of further development. The Point 4 program is a testament of faith in that possibility.

We are taking the Point 4 program around the world because something tremendous has happened. For the first time in history, human knowledge and skill are sufficiently advanced for all mankind to work with high confidence and enthusiasm for freedom and plenty.

This report covers the first year of operations under the Act for International Development, the first year of the Point 4 program. It
began on a small scale, but I firmly believe that in launching it we
have opened up a bright, new era of human achievement.

* * *

Summary of Operations

Funds for the first annual Point 4 budget were made available by
the General Appropriations Act of September 6, 1950. The total amount
for operations in the fiscal year 1951 was $55 million.

On September 6, 1950, by executive order, I delegated to the
Secretary of State the responsibility for carrying on the program, and
on October 27, 1950, an administrative agency, the Technical Cooperation
Administration, was established in the Department of State.

On December 1, 1950, Dr. Henry Garland Bennett, President of
Oklahoma A. and M. College, took office as the first permanent adminis-
trator.

By June 30, 1951, after nine months of existence, the Technical
Cooperation Administration was a going concern. As of that date, I am
informed, more than 450 American technicians were at work in ___ countries
of Latin America, independent Africa, the Middle East and Far East in
response to requests from foreign governments.

During the fiscal year, the Technical Cooperation Administration
received nearly 700 requests for new or expanded projects and approved
nearly 500. To meet these requests, the technical staff was undergoing
a considerable expansion at the close of the year. Several hundred
technicians were under clearance for assignments abroad.

During the year, the TCA approved training grants for more than 500
nationals of 41 countries. These "trainees" will contribute to economic
development in their homelands. Most of them will study and work in
the United States.

Point 4 General Agreements, defining the basic terms of technical
cooperation, were signed with 14 governments.

Joint Commissions were established in Brazil, Paraguay, Liberia
and Iran to direct economic development programs. These commissions
are something new in technical cooperation. They can direct action in
a number of fields and thereby contribute to the achievement of that
"balanced and integrated" economic growth called for by the Act for
International Development.

The Act stipulated that private individuals and organizations
should participate in the Point 4 program "to the greatest extent
practicable."

By June 30, 1951, the WFA had made 36 contracts with private agencies
to carry out specific projects. These agencies included universities and
land grant colleges, research foundations, social services organizations,
aviation and engineering firms. They are sending scores of technicians
into the field, reinforcing and complementing the work of government
agencies and enriching the program. They are making it more representa-
tive of America's talents and interests.

The American people have gained first place among the nations of
the world in scientific and industrial techniques. But we do not have
a monopoly on technical knowledge and skills. Consequently, about a
third of the funds available in the fiscal year 1951 were set aside for
the expansion of international technical cooperation programs: $12 million to the United Nations and $1 million to the Organization of American States. These contributions insure that no reservoir of knowledge goes untapped.

* * *

Priorities for Action

The basic problems of the peoples of the underdeveloped areas are well known.

They have an average per capita income of about $80 a year. That is one-twelfth of the income in more developed countries as a whole, little more than a twentieth of the average American's.

Food consumption is about 1900 calories a day while the requirement for good health is between 2800 and 2600.

Malaria, dysentery and other diseases we have all but eliminated in our own society are widespread. The average life span is 35 years compared to 60 in more developed countries.

Seventy percent of the people of the underdeveloped areas cannot read or write. That is not because they do not want to learn. It is because they have never had the opportunity to go to school.

Poverty and hunger in the underdeveloped areas are direct consequences of low productivity. And low productivity in turn is a direct consequence of poor health and a lack of technical knowledge and skill.

There was no need for extended surveys to show that technical cooperation should begin with efforts to improve food production, health and education.
At the close of the fiscal year, food supply projects were under way in ___ countries. American technicians had joined foreign technicians in demonstrating the use of better seed, better tools, better soil and crop practices, better methods of livestock breeding and care.

They were organizing research and extension services. At the same time promising agricultural trainees were coming to the United States for advanced study.

They were training village boys to become technicians on the spot. The American "county agent" is one of a growing international fraternity, each member schooled in the special needs of his own people.

Health improvement was under way in ___ countries. Some ___ American public health officers, sanitarians, and nurses were demonstrating modern methods of disease control: the use of DDT against malaria and other insect-borne diseases, the protection of water supplies and food from contamination.

In education, the accent was on literacy and vocational skills for adults as well as children. In ___ countries, ___ Americans skilled in teacher training and education, particularly rural education, were cooperating on the modernization and expansion of school systems.

With these priorities -- food, health and education -- firmly set, the program has gone into action in other fields. Our technicians are contributing to economic and social progress in the development of water and mineral resources (___ projects in ___ countries); transportation and communications (___ projects in ___ countries); labor and industry (___ projects in ___ countries) and public administration (___ projects in ___ countries).
Details of these and other activities will be found elsewhere in this report.

Motives and Methods

Believing as I do that this program of sharing knowledge and skill holds out the promise of a more peaceful and prosperous world, I have followed its development with care and interest. It has been my concern that our motives and methods be clearly and widely understood so that the integrity of the program might be preserved.

The question — "What do the American people expect to get out of Point 4?" — deserves a full and honest answer.

The existence of widespread human misery naturally arouses the sympathy of Americans. Being ready to help a neighbor in distress is one of our traditions. The realization that great poverty can be done away with is an inspiring one.

But let no one doubt it; the Point 4 program is designed to serve America's own welfare and interest. We want conditions of life in which we can be free and prosperous by honest work. We know these conditions cannot endure while half the world is struggling with poverty and ignorance.

Over the past decade the American people have been generous in their aid to other countries. First in war and reconstruction and then in collective efforts to consolidate world peace.

It is clear that even if we wished to we could not feed, clothe and shelter all the people of the underdeveloped areas. But we do not wish to. We believe in self-reliance, and the people of underdeveloped areas do not want to be objects of charity,
We have undertaken the Point A program so that, as they acquire modern techniques, these people can create decent lives for themselves. That is what they want most to do.

Out of the Point A program, then, we expect nothing less than a community of self-governing, self-sustaining nations. A community of nations living peacefully together, trading freely and profitably with our country and others, having no need of help from us or anyone else.

Our efforts and money will be wasted unless they produce lasting benefits -- for great masses of people, not just a privileged few.

Consequently, our methods are designed to create steady progress over the long term. At the same time they can and do produce immediate results. Our programs bring tangible, practical improvements into the daily lives of ordinary people. These gains generate hope and enthusiasm for the long pull.

The program works through governments. Point A cannot go where a government does not want it. Every project grows out of a request from a foreign government. Each is worked out cooperatively in terms of personnel, equipment, funds and other contributions.

But in the course of day-to-day operations, the program functions on the level of the farm and the factory, in small villages and towns as well as in national capitals. It is a people-to-people program.

Viewed in this light, the test of every technician's performance in the field will be how many people he has helped to do things for themselves. In short, the duty of every Point A technician is to work himself out of a job.
The effectiveness of this approach was proved with our neighbor American Republics. The Institute of Inter-American Affairs, now a Point 4 agency, gave us some of our best lessons in technical cooperation. Indeed, the programs of the IIAM, which are estimated to have had a direct beneficial effect on the lives of about 23 million people — about one out of every six in Latin America — provided the main inspiration for Point 4. The success of these programs brought us to realize that freedom from want can be more than a noble dream.

Foreign governments and peoples approve this approach. Some cooperating countries regularly contribute about three dollars of their own funds for each dollar we contribute.

Economic development must be a step-by-step process. At the outset, most of our cooperative programs deal with basic development of human and natural resources. Often we get the best results with very little in the way of expensive equipment or complicated techniques. In many cases it is preferable to substitute a steel ploughshare for a wooden one rather than a tractor for a team of oxen.

In these programs, farmers, even without knowing how to read and write, are doubling their yields of wheat, corn, potatoes and other crops within as short a period as a year. In many instances they are making these impressive gains with nothing more costly than better seed and practices and a few dollars worth of improved implements. I am informed that a plow costing $1.75 has been helping farmers in India to grow better crops.
With knapsack sprayers, villagers are ridding themselves of malaria and their livestock of ticks by the use of DDT and other modern but relatively inexpensive insecticides.

Boys and girls -- and men and women, too -- who never had the chance to enter a schoolroom before are beginning to read and write after 50 days of instruction.

Where standards of living are low, and customs and techniques may not have changed for generations, or even centuries, the impact of such improvements is great. Such tangible progress generates new hope, new enthusiasm, new enterprise.

Moreover, when progress begins with simple, inexpensive innovations, learners can quickly become, in turn, teachers. Thus, by geometrical progression, a handful of trained men become a multitude.

The process is amazingly swift. Referring again to India, I am informed that one of our technicians, working with a few Indian technicians, trained 300 farm demonstration agents in less than three years. At the same time he and his associates helped thousands of farmers to improve their production of grains and adopt other beneficial practices.

I am told that with a nucleus of 50 good county agents, India could improve its farming methods fast enough to get rid of the age-old danger of famine in five or ten years. From what I know of the Point 4 progress I am inclined to agree and it is toward such objectives that we should work.

Furthermore, this kind of endeavor truly makes for lasting progress. When a farmer learns how to grow two bushels of rice where only one
grew before, no one can take the knowledge away from him. And his own logical next step is to see if the yield can be increased.

The American people cannot help but reap benefits from this program. In bringing our country to its present state of prosperity, we borrowed from every part of the globe. Plants for food and fiber, breeds of livestock, knowledge and skills. We developed our fuel and mineral resources, our factories and our transportation systems partly with capital and skills borrowed from Great Britain and Europe.

Simple justice dictates that we should be willing to reverse the process.

But leaving that aside, we will learn valuable lessons from our experience in technical cooperation -- lessons in production, in economics, and perhaps more important in this period of world tension, lessons in human relations.

Knowledge and skill, of course, are unique assets. They cannot really be given away. They never really wear out. They improve with use. A technique becomes obsolete only because a new and better one is developed. Our scientific and technical resources are constantly growing and they cannot be diminished, only more swiftly enriched, by sharing.

We shall reap great benefits in trade. The Point A program will in time create vast new opportunities for capital investment and expanding world trade. It is creating right now the basic conditions under which investment and trade can increasingly be sound and profitable.
One of the yardsticks of our progress with Point 4 will be the rate of investment in self-liquidating public projects and private enterprises.

Goals for the Future

On April 16, 1950, Dr. Bennett gave me an informal report on the progress of the Point 4 program and at that time I issued a statement which said in part:

The Point 4 program is part of the defense of the free world. It is the best answer to the false promises of communism. It offers the plain people of the world a way to do what they want most to do -- improve their conditions of life by their own efforts.

The Point 4 program is being welcomed in that spirit by the free countries of Asia, Africa, the Middle East and Latin America, ... But this is only the beginning. Dr. Bennett tells me that, with relatively small appropriations, Point 4 can help some 50 countries with a population of almost a billion people double their food production in five to ten years. Comparable advances can be made by these countries in public health and education, as well as in other aspects of economic development.

It would be impossible for us to say what level of economic development the people of less developed countries can finally reach. No one can say in advance how far men can go once they have opportunity and spirit. The American people, with the highest standard of living in the world, have not thought of setting a ceiling on their own prosperity.

But as allies of other peoples fighting for better lives we might well have some targets to aim for. These targets should be the highest our sound judgment tells us we can possibly reach. They should be raised as our powers increase.
To have an adequate food supply with their growing populations, the people of the underdeveloped areas should produce about twice as much food ten years from now as today. To work with them to double food production in a decade is one of our goals.

Our other major goals for the next ten years are to double the average man's real income, cut illiteracy at least in half and stamp out malaria and other curable and preventable diseases to the point at which they are no longer serious problems.

These goals can be reached. We know they can. We know because of our own experience over the years in meeting and surmounting such obstacles ourselves and in helping others to do the same. These goals will be reached, I am sure, if the people of the free world work together.

Achievements of this magnitude would go a long way to root out the causes of war and would give all mankind new hope and energy for the great task of building a world of peace, plenty and freedom.

I urge the people of the United States to carry their Point 4 program forward toward these objectives.

Harry S. Truman