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The Ethical, Social, Economic and Political Aspects of the Point Four Program

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THE ETHICAL, SOCIAL, ECONOMIC
AND POLITICAL ASPECTS OF
THE POINT FOUR PROGRAM

by
Judy Sikes Rickher

A Thesis Submitted to the Faculty of the Institute of Social
and Industrial Relations of Loyola University in
Partial Fulfillment of the requirements
for the Degree of Master of
Social and Industrial
Relations

June
1953
LIFE

Judy Sikes Rickher was born at Abbott, New Mexico, April 8, 1919.

She was graduated from Trinidad Public High School, Trinidad, Colorado, June, 1937. She attended the University of New Mexico part time and was awarded a Diploma from the General College School in June, 1942.

From February 1943 to December 1946 she served in the Women's Army Corps.

In September 1948 she began work at Loyola University and was graduated February, 1952 with the degree of Bachelor of Science.

She began her graduate studies at Loyola University in September 1951.
The purpose of this paper is to analyse the Point Four Program, to look into the philosophy behind the program and to interpret its effects on the progress toward world peace.

The Ethical, Social, Economic and Political aspects of the program, though difficult to separate one from the others, are covered quite thoroughly in order that the actual philosophy of the overall program can be better analysed and understood.

Much has been said and written for and against the undertaking of the Point Four Program. The writer of this paper does not claim to have analysed all arguments favoring or disfavoring the program. An earnest effort has been made to study the best such arguments and interpret them in the light necessary for the development of this paper.

Invaluable aid was received from members of the Mutual Security Agency in private interviews in Washington, D. C. During each of these meetings the writer of this paper was constantly impressed with the spirit of cooperation being fostered throughout the whole program. In one such interview a Technical Cooperation Administration representative expressed deep concern about the lack of popular understanding of the program on the part of the
average American citizen. It was his hope that more wide-spread publicity would be given the undertaking in order that America and the world might know that Point Four is basically a plan whereby peoples throughout the free world can call on America, not for a hand-out, but for aid to assist them in their efforts to raise their standard of living; a program where the dignity of man is preserved and cooperation is the watchword.

A good bit of the source material used in this paper has been taken from bulletins, pamphlets and articles given to the writer in Technical Cooperation Administration offices, Department of State, and not published elsewhere.

The Point Four Program has been in operation for such a short period of time it is impossible to give a true measure of its successes or failures as such, however, the aspects covered here, the Ethical, Social, Economic and Political, were a part of the program before it was ever put into actual practice. Therefore, they can be discussed fully as this paper attempts to do.
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. WHAT IS THE POINT FOUR PROGRAM</td>
<td>1</td>
</tr>
<tr>
<td>Conception of the Program</td>
<td>1</td>
</tr>
<tr>
<td>Setting up of the Program</td>
<td>2</td>
</tr>
<tr>
<td>Aims and purposes of the Program</td>
<td>3</td>
</tr>
<tr>
<td>Functions of the Program</td>
<td>4</td>
</tr>
<tr>
<td>How the Program is instigated</td>
<td>8</td>
</tr>
<tr>
<td>What constitutes an underdeveloped country</td>
<td>10</td>
</tr>
<tr>
<td>II. REASONS WHY THE UNITED STATES MUST CARRY ON THE POINT FOUR PROGRAM</td>
<td>12</td>
</tr>
<tr>
<td>Ethical reasons</td>
<td>13</td>
</tr>
<tr>
<td>Social reasons</td>
<td>23</td>
</tr>
<tr>
<td>Economic reasons</td>
<td>28</td>
</tr>
<tr>
<td>Political reasons</td>
<td>38</td>
</tr>
<tr>
<td>III. COUNTRIES RECEIVING POINT FOUR AID</td>
<td>48</td>
</tr>
<tr>
<td>Afghanistan</td>
<td>50</td>
</tr>
<tr>
<td>Burma</td>
<td>51</td>
</tr>
<tr>
<td>India</td>
<td>52</td>
</tr>
<tr>
<td>Indonesia</td>
<td>57</td>
</tr>
<tr>
<td>Nepal</td>
<td>60</td>
</tr>
<tr>
<td>Pakistan</td>
<td>61</td>
</tr>
<tr>
<td>Egypt</td>
<td>62</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>64</td>
</tr>
<tr>
<td>Iran</td>
<td>65</td>
</tr>
<tr>
<td>Iraq</td>
<td>66</td>
</tr>
<tr>
<td>Isreal</td>
<td>68</td>
</tr>
<tr>
<td>Jordan</td>
<td>69</td>
</tr>
<tr>
<td>Lebanon</td>
<td>70</td>
</tr>
<tr>
<td>Liberia</td>
<td>71</td>
</tr>
<tr>
<td>Libya</td>
<td>72</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>73</td>
</tr>
<tr>
<td>Latin America</td>
<td>75</td>
</tr>
<tr>
<td>Bolivia</td>
<td>77</td>
</tr>
<tr>
<td>Brazil</td>
<td>78</td>
</tr>
<tr>
<td>Country</td>
<td>Page</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>Chile</td>
<td>79</td>
</tr>
<tr>
<td>Colombia</td>
<td>79</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>80</td>
</tr>
<tr>
<td>Cuba</td>
<td>81</td>
</tr>
<tr>
<td>Dominican Republic</td>
<td>82</td>
</tr>
<tr>
<td>Ecuador</td>
<td>83</td>
</tr>
<tr>
<td>El Salvador</td>
<td>84</td>
</tr>
<tr>
<td>Guatemala</td>
<td>85</td>
</tr>
<tr>
<td>Haiti</td>
<td>85</td>
</tr>
<tr>
<td>Honduras</td>
<td>86</td>
</tr>
<tr>
<td>Mexico</td>
<td>87</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>89</td>
</tr>
<tr>
<td>Panama</td>
<td>90</td>
</tr>
<tr>
<td>Paraguay</td>
<td>90</td>
</tr>
<tr>
<td>Peru</td>
<td>92</td>
</tr>
<tr>
<td>Uruguay</td>
<td>93</td>
</tr>
<tr>
<td>Venezuela</td>
<td>94</td>
</tr>
</tbody>
</table>

IV. PRIVATE CAPITAL AND OTHER INVESTMENTS IN THE UNDERDEVELOPED AREAS

Commerce Department work with the Mutual Security Agency

Moral obligation belongs to society

International Bank For Reconstruction And Development Investments

V. SUMMARY AND CONCLUSIONS

APPENDIX I, POINT FOUR EXPENDITURES AND UNITED STATES STAFF

APPENDIX II, INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT, MEMBER COUNTRIES

BIBLIOGRAPHY
CHAPTER I

WHAT IS THE POINT FOUR PROGRAM

When the question 'What is the Point Four Program?' is asked the shortest answer is: United States aid to the underdeveloped countries of the world.

To go deeper into the subject and explain the purposes, functions, aims and achievements of this far reaching program is the purpose of this paper.

The title of the program comes directly from the inaugural address given by President Harry S. Truman on January 20, 1949. The foreign policy section of his address had been written in specific points of importance, the fourth point was given to the proposal that the United States embark on this new program to aid underdeveloped countries. The name stuck and the program since has been referred to, the world over, as The Point Four Program. This is what President Truman said:

Fourth, we must embark on a bold, new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas.... I believe that we should make available to peace-loving peoples the benefits of our store of technical knowledge in order to help them realize their aspirations for a better life. And, in cooperation with other nations, we should foster capital investment.
in areas needing development. Our aim should be to help the free peoples of the world, through their own efforts, to produce more food, more clothing, more materials for housing, and more mechanical power to lighten their burdens.

Mr. Truman indicated three vitally important factors which must be considered in the program, namely, first the beneficiaries must be peace-loving peoples in underdeveloped areas, second aid must be in the form of technical advice in a program to help the peoples help themselves, and third that the United States should cooperate with other nations in encouraging capital investments in the underdeveloped countries of the world.

In a democratic form of government such a program can come into being only after the passage of a law by the legislative body of the government. Investigations of the aims, functions, purposes, scope, costs, value and feasibility of the program had to be carried on at length before the Committee on Foreign Affairs of the House of Representatives would recommend passing legislation to set up the proposed plan. This sort of investigation took time and it was not until the second session of the 81st Congress, 1950, that the "Act for International Development" was passed.

The act provided that the sum of $35,000,000 be appro-

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1 Harry S. Truman, "Inaugural Address", Washington D. C., January 20, 1949
appropriated for the operation of the Point Four Program for the year 1951. 2

Since that initial start the 82nd Congress made available $200,000,000 for the expansion of the program. 3

Thus the program came into being with an overall goal or purpose of raising the standard of living of the free peoples living in the underdeveloped countries of the world. The planners of the program were well aware that the undertaking would take years before the goals can be successfully achieved.

Added to the purpose of raising the standards of living of the peoples of the underdeveloped areas is the aim of fostering lasting world peace. So long as two thirds of the people existing in the world live below the hunger level it is impossible to talk peace on a permanent basis. Without filling those empty stomachs, covering those rag clad bodies, curing those disabling diseases, housing the homeless and educating the ignorant and illiterate progress toward world peace cannot go forward.

A great deal more must be said to adequately explain Point Four, how it came into being, how "new and bold" or old it is and in fact the whole philosophy behind its establishment,

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2 Public Law 535, 81st Congress, Chap. 220, 2d Session, H.R. 7797, Title IV, Sec. 401, "Act for International Development"

aims and operations.

FUNCTIONS OF POINT FOUR

The primary functions of Point Four lie in the fields of education, public health and agriculture. In the fiscal year 1951 approximately 80 per cent of the Point Four budget was spent on projects in these fields.

For example, under a Point 4 grant, the American University of Beirut is training students for all countries of the Middle East in four basic fields; preventive medicine and public health, agriculture and agricultural engineering, economics and finance, and public administration.

For the United States Government to spend money in an effort to improve the economic situation in foreign countries is not a new idea. Sums ranging in the billions of dollars have been spent on such programs as United Nations Relief and Rehabilitation Administration (UNRRA), Economic Cooperation Administration (ECA), special allotments to such countries as Greece and Turkey but only one other time have American dollars been spent in the same way as they are to be spent under Point Four aid, that instance was under the Institute of Inter-American Affairs.

started in 1942. 5

When Congress passed the "Act for International Development" the President was authorized to carry out programs of technical cooperation designed to enable peoples of the underdeveloped countries to make better use of their own resources through their own efforts. Pursuant to this authority President Truman established in the State Department "The Technical Cooperation Administration", hereinafter referred to as "TCA".

The Institute of Inter-American Affairs, the pioneer in Technical cooperation in South America, was made a part of TCA and in the fiscal year 1952 became the operating arm of TCA in other Latin American Republics not partaking in the program prior to this time.

Two groups were set up to advise the TCA on Point Four policy: the International Development Advisory Board composed of private citizens, and the Inter-departmental Advisory Council composed of representatives from those governmental agencies most directly concerned with Point Four activities and operations.

In order to consolidate the activities of foreign aid programs and provide for more efficient operations and eliminate overlapping of endeavors the Mutual Security Act provided for the coordination of all foreign aid programs under a Director for

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5 Kenneth R. Iverson, Point Four Progress In Latin America, Think, Jan. 1952
Mutual Security. In addition the Act established a Mutual Security Agency which took the place of the Economic Cooperation Administration, which went out of business on December 31, 1951.

In this consolidation TCA was made the responsible agent for programs in the American Republics, the independent countries of Africa (Liberia, Libya, Ethiopia, Eritrea and Egypt), the Near East (the Arab States, Iran and Isreal), and the South Asia countries of Afghanistan, Ceylon, India, Nepal and Pakistan.

In accordance with the policy laid down by the Director for Mutual Security that all economic programs in a single country be administered by one single agency, technical cooperation and other economic development programs in certain underdeveloped areas which were underway already—namely, Greece, Southeast Asia, and the overseas territories of European countries, where the responsibility had been assigned to the ECA—were made the responsibility of the Mutual Security Agency.

The distinction here is a hard one for the casual onlooker to determine. Perhaps it would clarify the issue to point out that TCA handles those Point Four programs which are going on in independent nations, while the Mutual Security Agency through the Overseas Territories Branch handles the Point Four programs being carried on in countries which are actually the colonies, protectorates, trusteeships or mandates of Western European participating countries. For the most part such programs were begun under the ECA program in countries located principally
in Africa, Southeast Asia and the Caribbean region. The total population of these countries is more than 170 million.

The European countries directly responsible for these territories are France, the United Kingdom, Belgium, the Netherlands, Italy, Denmark and Portugal. Aid going to these areas from Mutual Security must go to the governing country and not directly to the area or territory itself; even though the relationship with the European Metropole vary from full independence to countries approaching dominion or independent states.

Many of these countries contain large untapped resources that could, with the necessary technical skills and capital, make tremendous strides toward improving the standard of living of the territories as well as greatly increase the scarce commodities of the free countries of the world. The fields of concentration in these areas under ECA were health, education, transportation, communications, port facilities and electric power Mutual Security will continue this concentration.6

Whether the Point Four aid in one of the countries named here is done by TCA or by the Overseas Territories Branch the recipients have one thing in common, they are underdeveloped. The major problems existing in each underdeveloped country are hunger, widespread disease and illiteracy.

6 Department of State, The Overseas Territories In The Mutual Security Program, MSA, Mar. 31, 1952
HOW POINT FOUR IS INSTIGATED

The instigation of a Point Four program in any one of the so-called underdeveloped countries must start, not in the United States Mutual Security Agency but rather, in the country seeking the aid. The program is not to be forced upon any nation. The nations must recognize that they need assistance in certain fields and make these needs known to the Mutual Security Agency.

Even in countries, such as Latin American Republics, where technical aid has gone into operation prior to the new Point Four program the prerequisites or basic requirements provided in the "Act for International Development" must be met.

The Act reads in part:

Sec. 407 c. Assistance shall be made available only where the President determines that the country being assisted --

(1) Pays a fair share of the cost of the program
(2) Provides all necessary information concerning such program and gives the program full publicity.
(3) Seeks to the maximum extent possible full coordination and integration of technical programs being carried on in that country.
(4) Endeavors to make effective use of the results of the program.
(5) Cooperates with other countries participating in the program in the mutual exchange of technical knowledge and skills.

When the "Mutual Security Act of 1951" was passed it carried an
amendment to the "Act for International Development" to the section referred to above:

Sec. 528. The Act for International Development is amended--

(b) By adding at the end of section 407 a new paragraph:

"(d) Participating countries shall be encouraged to establish fair labor standards of wages and working conditions and management-labor relations."

Every effort was made in setting up the law and in carrying out the Point Four operations that the program be understood from the beginning as a self-help program in which benefitting countries must put forth the greater part of effort and eventually the capital. The amendment to the Act mentioned above serves to point out the interest of the law makers in fostering every kind of democratic freedom which is enjoyed in this country in the countries participating in Point Four benefits. Today more and more the idea that democracy can flourish only by and with a free labor force is being subscribed to. In the interest of competition the amendment provides that fair wages and working conditions be developed in these countries. Thus the long range hope of the program, namely, to put these countries into a position where the citizens can compete on an equal scale with highly industrialized democracies, is brought out in the Act itself.

The real essence of the Point Four program is education
of large numbers of people in the use of modern techniques of agriculture, industry and other branches of science and technology. There are very few Point Four field projects which do not include the training of foreign nationals in one of the branches named. Point Four also brings foreign nationals to the United States for advanced training in technical and scientific fields.

As a special agency of the United Nations the UNESCO (United Nations Educational, Social and Cultural Organization) program has educational programs going on in some of the nations which are receiving Point Four aid. Whenever this occurs the Point Four agents cooperate with UNESCO to eliminate repetition.

WHAT CONSTITUTES AN UNDERDEVELOPED COUNTRY

What constitutes an underdeveloped country which would be eligible for Point Four assistance was one of the major questions Congressmen of the United States Congress wanted answered before they were willing to set up the program. To pinpoint this problem into the simplest and best answer the State Department compiled figures on the per capita annual income for 53 countries in the year 1939. Willard L. Thorp, Assistant Secretary of State for Economic Affairs, stated before the Committee on Foreign

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9 Factual information pertaining to Point Four, TCA, IIAA, ECA, and the UN was taken from Point 4 Information Packet for TCA personnel overseas, Part I
Affairs, House of Representatives hearings:

For the purposes of comparing the various groups, we have arbitrarily taken the position that the clearly underdeveloped countries were those in which the national income per capita was $100 to $200; and then we have set up as the developed countries—although I am sure none of them would regard themselves as fully developed—those with a national income of more than $200 per capita in 1939.

On these maps it is very clear that the underdeveloped countries form a band in which a very large part of the area comprises the countries south of the United States, Africa and virtually all of southern Asia.

This area which is marked white on this chart includes two-thirds of the world's population. The world's population is slightly over 2,000,000,000, so that means in the underdeveloped areas there are somewhere between a billion and a quarter and a billion and a half people.

Now, to show how that works out, the annual national income of the underdeveloped countries—and I said the maximum we admitted there was $100 averages $41 per capita. For the intermediate countries it is $154 and the developed countries $461.

Roughly, to get the present-day dollars you should about double these figures. 10

Mr. Thorp, in using these figures, pointed out that though the year 1939 was not exactly a boom year for the United States there was still this startling difference of more than eleven times as much income per capita for the average American compared with the average income of citizens in the underdeveloped areas. The major fact of importance to Point Four planning is that two-thirds of the world's population comes in this category.

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of underdeveloped, or of having had a per capita income averaging $41 for the year 1939.

If a nation included in this category can show the Mutual Security Agency of the United States that she has a system of government which allows her citizens the basic freedoms necessary for the preservation of human dignity and that as a nation she is willing and able to meet the stipulations laid down in Section 407 (c) of the "Act for International Development" as amended by "Mutual Security Act of 1951" plans for extending Point Four aid will be drawn up by the Mutual Security division which handles aid in the geographical location of the country in question.

Point Four aid, for very obvious reasons, is not available to Russia or any of the so-called satellite countries behind the iron curtain. The absence of freedom alone would keep the United States from extending the program. Furthermore, the basic principles on which Communism is founded would prevent these nations from seeking such assistance.
CHAPTER II

REASONS WHY THE UNITED STATES
MUST CARRY ON THE POINT FOUR PROGRAM

ETHICAL REASONS

In God's scheme of things all men were created equal. Each man has been given a mind or intellect, a body or physical being and a soul or spiritual being. According to the Christian way of thinking men were put on earth by God to glorify God, to attain happiness here and eternal happiness or life everlasting in the spiritual world after death.

In the United States, the best example of a highly developed and profoundly Christian nation, there is not equal economic possessions by all men. There is, however, equal opportunity for all, the highest standard of living per capita the world has ever known and a sufficient supply of technical know-how to help raise the standard of living of all peoples in the under-developed countries coming under the Point Four program.

With two-thirds of the world's population going to bed hungry every night it becomes painfully obvious that the peoples
of the underdeveloped areas do not have equality of opportunity.

The United States was founded on the principle of freedom. As a free people this nation has risen from a small band of colonies to the world's leading nation. As such a leader this nation has an obligation to the rest of the world to assist in every way possible those peoples who, through no fault of their own, must live in the underdeveloped countries of the world.

The freedom which has made America strong has stemmed from Christian principles which place man in all his human dignity above the nation. This is so well expressed by Doctor Messner in his book on Social Ethics:

> God entered the world with a human nature, assured man of the covenant which the Creator has inscribed in his nature, and guaranteed the value of man as raised above every earthly value so that neither society nor state nor nation nor race nor the whole earth can outweigh his dignity.

Point Four has as one of its aims the fostering of this principle of freedom in the underdeveloped countries of the world.

From a purely ethical or moral point of view the United States, as the richest, most highly developed and leading nation in the world, must share this development with those free nations not now possessing such technical and economic wealth.

In discussing man's obligations to his fellowman it is not necessary to adhere strictly to Christian principles, because

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1. J. Messner, Social Ethics, B. Herder Book Co., St. Louis, Mo. & London, 1949, 8
other religious faiths like the Christian faith subscribe to the Natural Law. The Natural Law being a self-evident truth is an impulsion in man which compels him to live his life in accordance with the true reality toward which human nature tends. On this same subject Doctor Messner had this to say:

Self preservation, ...the enlargement of one's experience, knowledge and receptivity of the values of beauty; self propagation by mating and rearing of offspring; benevolent interest in the spiritual and material well-being of one's fellowmen as equal in their value as human persons; social fellowship to promote common utility, which consists in the establishment of peace and order, in facilitating the achievement of the material and cultural welfare of all, in the attainment of the knowledge and control of the forces of nature and society for these purposes. 2

To hold fast to the principles which made America great and to look upon fellowmen as "equal in their value as human persons" are just two of the ethical reasons why the United States must support the Point Four program. The author of the above words did not mean just the fellow American in his statement of man's obligations which he must meet to achieve his last end. Dr. Messner referred to all men, for all men are created equal under God.

If America is to help the world to achieve the aim of establishment of peace and order progress of the underdeveloped nations must be fostered. Peace and order can be had by proceed-

2 Ibid., 21
According to the Natural Law and not according to the physical laws of man alone. In order to avert a third world war the nations of the world will have to function, not under principles of collectivism or individualism, but under the firm and certain principles of the Natural Law.

The content of Natural Law is the sum total of the moral principles which are directly evident or derived from such self-evident principles by way of reasoning on the ground of individual experience or scientific analysis of reality.

As a nation or as an individual the moral principles are the same and thus the moral obligations are the same. To do good is a self-evident truth which man by his nature must accept and to avoid evil is likewise self-evident. Hence good and evil existing side by side goes counter to the natural scheme of things. If two-thirds of the world's population are living in poverty, disease and ignorance then the very nature of man compels the other one-third to stamp out this evil.

Since the United States is recognized as the leading Christian nation of the world today there falls the dual moral obligation of carrying on an aid program such as the Point Four program. Following the Natural Law is one of these obligations and following the Christian moral law is the other. In order to better show the difference in the two again a quotation from

3 Ibid., 58
Christian moral law differs from natural law in that the latter is given to man through natural revelation, the former through super-natural revelation. In the one the will of the Creator is made known indirectly, that is, through man's nature, in the other through His direct communication. ...For super-natural revelation informs man unmistakably of the spiritual character of his soul, of its immortality, of its eternal destiny, of God as man's Creator and Judge, last End and highest Good. 4

Because the United States is looked to by the free nations of the world as the one country able to lend the helping Christian hand needed by so many to pull them up from the mire of filth, poverty, disease, hunger and ignorance President Truman proposed the Point Four program.

Looking at the problems which Point Four was designed to cope with the morally just actions of a nation must be considered. Justice to mankind operates on both a local and international level according to Doctor Messner.

International justice is that form of justice which directs states toward the common good of the community of nations. ...Positive obligations include cooperation in the raising of the standard of intellectual and material welfare among all peoples by the exchange of raw materials, manufactured goods, ideas, and ideals, organization of the international community and the establishment of institutions to enable it to carry out its tasks. 5

The very nature of the Point Four Program is the giving

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4 Ibid., 84
5 Ibid., 217
of technical cooperation to those nations in the world where technical progress has lagged behind other nations. As was pointed out in Chapter I, 80 per cent of the Point Four money spent in the year 1951 went into the fields of education, public health and agriculture.

President Truman was not unmindful of these international obligations of justice, so well stated by Doctor Messner above, when he said: "Our aim should be to help the free peoples of the world, through their own efforts, to produce more food, more clothing, more materials for housing, and more mechanical power to lighten their burdens." It was the raising of the standard of intellectual and material welfare of all free peoples that our President envisaged.

Going beyond the order of justice there is to be found another fundamental principle in the nature of man, the principle of charity. For a complete definition of charity the following quotation answers all questions:

The uniformity of human nature, the equality of men's essential ends, the oneness of their ultimate goal, God, and His love for every human being, all of these make charity the basic duty of man to man. Thus charity is man's habitual readiness to respect his fellowman as himself and to desire, and seek to procure, his good as demanded by the common nature and the common final end.

6 Harry S. Truman, "Inaugural Address", Jan. 20, 1949
7 J. Messner, Social Ethics, 231
Charity is too often thought of as an act of giving something gratis to one less fortunate than the giver, and not as "man's habitual readiness to respect his fellow man as himself". This misconception of the true meaning has led to a feeling of a lowered social status for one accepting a gift of charity. Such misunderstandings have caused aid programs which the United States have engaged in the past to create ill feeling and failure of the programs to achieve their objectives.

The aims of the Point Four program are to extend to the needy nations that form of charity which helps man to maintain the highest level of self respect by granting assistance on a self-help basis. In so doing the citizens of the United States see these peoples of the underdeveloped countries as equals and offer to them the technical aid and advice necessary for greater creature comfort and happiness.

The discussion of the ethical reasons why the United States must support the Point Four program has been confined thus far to text book or classroom understanding of moral ethics. The important thing for this paper is to point out, not only the classroom ethics involved, but that the whole thinking on the part of the Congressmen, Cabinet members and other sponsors of the program in getting the necessary legislation passed to set up Point Four was based on the moral and ethical obligations the American people as a nation have toward the other free peoples of the world.

During the House of Representatives hearings before the
Committee on Foreign Affairs, 81st Congress, when James E. Webb, Acting Secretary of State, was discussing the proposed legislation on Point Four many opinions and ideas were expressed by the Congressmen on the Committee. One such opinion expresses clearly just what President Truman had in mind when he proposed the program. Representative Jacob K. Javits of New York said:

I would like to say that I consider this program to be the product of topflight American foreign-policy thinking, for two reasons; first, because you cannot fight Communism only with words; you can only fight it with bread, and you can only fight it with better opportunities for bread than the other side offers; the world has proved that China proves it, and this is an effort to do it.

Secondly, it is an effort to afford greater opportunity for bread with the greatest economy of means, none of us were happy about the billions and billions of dollars that were poured into relief for European and other countries, but here is a situation where we are trying to devote America's best commodity, brains, for the purpose of enabling the free peoples of the world to help themselves. I say more power to it. That is the way to do it. This is really American policy designed to combat Communism on terms of equality. This is a new philosophy for governmental foreign policy.

...It is a policy by which the people of America can say, "We are the first people who have ever led the world and who will try to make the world a better place in which to live, instead of living off it"...Our belief is that, if we make it better for the other fellow, we will make it better for ourselves.8

Mr. Javits thinks of the Point Four program as not only one in which the peoples of the underdeveloped countries will benefit,
but one in which the whole world would gain immeasurably.

In a later Committee meeting at which Charles F. Brannan, Former Secretary of Agriculture, presented a statement Representative Walter H. Judd, M.D., from Minnesota said:

I do not think our primary objective should be the creation of good will, although I hope that will result. I think the primary objective should be development of health and living standards and adequate wage scales and reducing the gap between the cost of production there and the cost of production here.9

It seems that Dr. Judd feels that good will is a more or less automatic result the United States can expect from Point Four operations. At least he was willing to gamble on the odds that this would be the end result. The moral implications of such an undertaking as Point Four were clearly understood by such men as Representatives Javits and Judd.

Throughout the entire Committee hearings this profound feeling of moral obligation and purpose was expressed over and over again by members of the Committee and those experts who came before the Committee to give reports on the aims, objectives, scope, benefits and costs of the Point Four program.

After the Point Four program went into effect Dr. H.G. Bennett, Administrator of the Technical Cooperation Administration, in giving a speech on the subject of "Cooperatives In A World Of

9 Ibid., 55
"Conflict" pointed out how the Point Four program is carrying into its operations the self-help ideas on which it was based.

Let me pause a moment, now, to try to put our problem in perspective. First, what is our purpose? It is peace. Peace so that men can exercise their natural right to life, liberty and the pursuit of happiness. Remember, these rights are not reserved to America. They are the rights of all men. . . .

Everywhere in the underdeveloped areas you will find work to be done and people anxious to work with you. And you can be sure of this: the spirit of cooperation is not merely an American trait. It is a human trait. It is in the heart of man to cooperate if he has the chance. . . .In its broadest sense, cooperation is a matter of living and working together which offers hope of a better life for each.

The cooperative movement springs from the inherent desire of man to be free. It is a mechanism which enables men working together to achieve what they could not achieve working singly and alone. That is the way we are trying to conduct the Point 4 Program, and it is that principle which finds a warm welcome among men of good will everywhere.

I had the good fortune the other day to run across a quotation from the ancient Talmud which to my mind expresses perfectly the spirit of the Point Four program as it should be and as it can be carried forward:

'The noblest of charity is to prevent a man from accepting charity; and the best alms are to show and to enable a man to dispense with alms.'

In this spirit, let us work for peace.10

Little more need be said to fortify the argument that the United States has an ethical and moral obligation to the world as a whole, to the underdeveloped countries and to the United

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10 H. G. Bennet, Cooperative In A World Of Conflict, Reprinted from "AMERICAN COOPERATION 1951", by American Institute of Cooperatives, Washington 6, D.C.
States itself to carry on the Point Four program.

SOCIAL REASONS

The social reasons why the United States must carry on the Point Four program are many and at the same time difficult to separate from the ethical reasons. In fact, the social, ethical, economic and political reasons are interwoven in such a way that a sharp line cannot readily be determined between any of them. For the purpose of further clarification of the over-all aims, objectives and operation of the Point Four program it is deemed advisable to make an effort to draw the lines, so far as possible, between each of the above named aspects of the program.

From the teachings of Aristotle we learn that man is a social being. In order to live as a human being distinct from plant and brute animal, man must live in a society. To live in a society as a member of a group is one of the natural rights of man. With every right goes a corresponding obligation. To be a part of society means that man must contribute to the development, progress and functions of that society.

This argument can be followed from the membership of each individual in the family group and his rights and obligations thereto all the way down to his membership in the world or universal society. The final conclusions will be that man, by his very nature, is a member of this universal society. Further, what
functions for the common good of society in turn functions for the
good of its individual members. And finally that conclusion
which is important to the carrying on of Point Four, each man has
certain obligations to aid in the overall activities of the so-
ciety in which, by his nature, he must be a member. He must
assist in every way possible the progress and promotion of the
common good of society.

From this argument comes the self-evident conclusion
that the United States as one member nation of the universal
society has obligations to the universal society as a whole in
the promotion of the common good of all members, whether these
be nations or individual persons.

By reason of the Christian background upon which the
United States is based: the social obligations of the citizens of
this great nation are no less important than the ethical or moral
obligations, already discussed in the ethical aspects of the
Point Four program.

Though taken somewhat out of context, the following
quotation from Pope Pius XI's Encyclical Letter on Atheistic
Communism can be seen a greater proof of man's need to function
as a social being:

But just as in a living organism it is im-
possible to provide for the good of the whole
unless each single part and each individual member
is given what it needs for the exercise of its
proper functions, so it is impossible to care for
the social organism and the good of society as a
whole unless each single part and each individual
members—that is to say, each individual man in the dignity of his human personality—is supplied with all that is necessary for the exercise of his social functions.11

The underdeveloped countries which Point Four was designed to help include millions of human beings who do not possess "all that is necessary for the exercise of their social functions". In some of the areas hundreds die of starvation each year while crops rot in the fields because a large percentage of the population stricken with disease are not able to work in the harvesting of crops.

Once more a quotation taken out of context but which applies here in the most descriptive fashion:

For then only will the social economy be rightly established and attain its purposes when all and each are supplied with all the goods that the wealth and resources of nature, technical achievement, and the social organization of economic life can furnish. And these goods ought indeed to be enough both to meet the demands of necessity and decent comfort and to advance people to that happier and fuller condition of life which, when it is wisely cared for, is not only no hindrance to virtue but helps it greatly.12

The Point Four program is designed to carry technical achievements of the United States to the underdeveloped areas of the world to assist those peoples in developing their natural


12 Pope Pius XI, Quadragesimo Anno, Encyclical Letter, Outline Press Inc., Chicago, Ill., 45
resources to the point where they will have the necessary material possessions and facilities for decent comfort.

Throughout the study of this program from the conception of the idea for the plan, through the study prior to enactment of legislation to bring it about and the study of the functions and progress thus far one is constantly aware that the social implications and social obligations of America, as the founder, promoter and leader of the program, are ever evident in the statements and actions of the Americans dealing in any way with the program.

When Oscar R. Ewing, Federal Security Administrator, delivered a statement to the Committee on Foreign Affairs hearings prior to the passing of the "Act for International Development" he hit the social aspect of the Point Four program very hard and very often, for example:

We are dealing here with the disease of social unrest, which is prevalent in many parts of the world and which we have found to be related clearly to poverty. Can anyone say that this is a lesser threat to America today than typhoid or diphtheria or smallpox or malaria a generation ago? Is it not even a worse threat, organized and exploited as it is by fanatic totalitarianism? Is it not at least equally important, therefore, that we attack it, too at the source? This is what we propose to do.

The President's Point IV program is not, in any sense, a relief project. It is not a supply program or a give-away. Its purpose is to provide the tools of knowledge and experience with which people everywhere can raise their own standard of living through their own efforts.

We have this kind of knowledge and experience in greater abundance than any other nation on earth. It is our most precious asset and at the same time,
our cheapest exportable commodity.

Men must be healthy before they can learn or work effectively. They must have a basic education before they can be taught the rudiments of good sanitation and nutrition.

...As I visualize this program, our task will be, first of all, to supply the technical advice and guidance necessary to enable the people of these underdeveloped areas to improve their own health conditions, second, or even simultaneously, we will help to establish programs of basic education to improve the standard of literacy and develop vocational skills, without which economic development is difficult, if not impossible, and, third, we will give advice and technical aid in the establishment of necessary programs to assure social stability.

In conclusion, let me emphasize my belief that this is the most promising program yet devised to meet the most serious threat we have ever faced. It is eminently realistic. It strikes at the root of the trouble rather than treating with symptoms.

...It is a statesmanlike approach to a world problem of the first magnitude.13

This quotation is very long, but it is not necessary to point out that every phase of the Point Four program touched upon by Mr. Ewing here was directly related to the social problems which the program is designed to cope with. Certainly these problems can be called social diseases. With the aid of a competent staff of research experts in the field the diseases have been expertly and correctly diagnosed. The treatment has been equally expertly prescribed, namely, the Point Four program. As Mr. Ewing pointed out, the treatment depends largely on the efforts of the victims of the diseases, the underdeveloped areas themselves.

13 Hearings Before the Com. on Foreign Affairs, H.R., 81st Cong., 1st Ses. 66-69
To belabor the subject of the social obligations the United States has to these underdeveloped nations is pointless at this time. That the obligations exist was recognized by those setting up the program and is being constantly recognized by those working in the field with Point Four today.

ECONOMIC REASONS

Certain basic economic principles which apply to any economic system must be kept in mind in order to deal adequately with the economic reasons why the United States must carry on the Point Four program. Of great importance here, economically speaking, are first, allocation of resources and second maximizing want satisfaction.

A problem is economic if it affects the material welfare of the citizens of a nation, be it a nation highly developed like our country or an underdeveloped infant democracy like Libya. Want satisfaction, supplying in adequate amounts the material necessities for human progress, is achieved by the allocation of resources.

In none of the countries classified as underdeveloped can maximized want satisfaction be found for the average citizen. In many instances great quantities of natural resources exist, which if adequately developed could maximize the want satisfaction of all citizens of the nation. It is this development of those
resources which the Point Four program aims to achieve. To do this the technical quality of production must be increased through the use of technical equipment, know-how and capital not now at hand for the underdeveloped countries to apply to their economic problem.

Problems other than the need for increasing the quantity, quality and allocation of resources are common to all of the underdeveloped countries. The most important are unchecked disease epidemics, inadequate sanitation facilities, backward and inefficient agricultural equipment, lack of flood control or any form of irrigation system, poor housing facilities and extremely high rates of illiteracy. Any one of these problems taken alone could have adverse effects on economic progress. Unfortunately they are not found to exist alone in the underdeveloped areas and added together these conditions spell the lowest standard of living in the world today.

Today America enjoys the highest standard of living the world has ever known. This standard has grown so high that Americans often put expensive, luxurious gadgets in the category of necessities. However, as was pointed out above, good and evil cannot exist side by side for long. Sooner or later one will over come the other. The Point Four program was designed to help the good overcome the evil by extending technical progress of our economic system to those areas of the world which come under the underdeveloped classification.
The United States as the leading member of nations has an obligation to the world to assist these countries in raising their standard of living, both for the moral good it will effect in those countries and for the continued maintenance of the high standard enjoyed in America. This obligation was clearly expressed by President Truman when he said:

With the cooperation of business, private capital, agriculture, and labor in this country, this program can greatly increase the industrial activity in other nations and can raise substantially their standards of living.

...Such new economic developments must be devised and controlled to benefit the peoples of the areas in which they are established. Guarantees to the investor must be balanced by guarantees in the interest of the people whose resources and whose labor go into these developments.

...All countries, including our own, will greatly benefit from a constructive program for better use of the world's human and natural resources. Experience shows that our Commerce with other countries expands as they progress industrially and economically.

Greater production is the key to prosperity and peace.

...Only by helping the least fortunate of its members to help themselves can the human family achieve the decent, satisfying life that is the right of all people.

Democracy alone can supply the vitalizing force to stir the peoples of the human world into triumphant action, not only against their human oppressors, but also against their ancient enemies --hunger, misery and despair.14

The program which was envisaged by President Truman and his staff of advisors took into account the inseparable aspects

14 Harry S. Truman, "Inaugural Address", Jan. 20, 1949
of economic progress and moral or ethical obligations of one man
to another or one nation to another. The inseparability of these
aspects can be found in the fundamental teachings of Christianity
as found in the writings of Pope Pius XI:

Even though economics and moral science employs
each its own principles in its own sphere, it is,
nevertheless, an error to say that the economic
and moral orders are so distinct from and alien to
each other that the former depends in no way on the
latter. Certainly the laws of economics, as they
are termed, being based on the very nature of mat­
terial things and on the capacities of the human
body and mind, determine the limits of what prod­
uctive human effort cannot, and of what it can
attain in the economic field and by what means.
Yet it is reason itself that clearly shows, on the
basis of the individual and social nature of things
and of men, the purpose which God ordained for all
economic life.15

The progress the United States has been able to make
has come about through the capitalist, or free enterprise, system.
In America capitalism has stood the test of great technological
changes, wars, inflations and depressions and come out with the
most highly industrialized, generally healthy, well housed and
well fed, and reasonably educated population in the world today.

To Americans this free enterprise system is one of the
freedoms which is held near and dear to their hearts even as they
hold freedom of speech, press, religion and assembly. They re­
cognize the great advantages of this kind of economic system and
are willing to preserve it at any cost.

15 Pope Pius XI, Quadragesimo Anno, 17-18
One of the most important aims of the Point Four program is the economic betterment of the populations of the underdeveloped areas. It is fundamental American philosophy that the best way to achieve this economic goal is through the capitalist, or free enterprise, system. Therefore, it is the hope of the Point Four advocates that this form of economic system will be adopted in those countries where it does not now exist and fostered and encouraged in those countries where it does now exist. Thus through expanding the successful system of economic freedom in other countries the final goal is that of preserving that freedom in the United States, and extending the benefits thereof to all free peoples of the world. The long range aim of the program can in this way be brought to reality, namely lasting world peace.

On the subject of world peace and economic betterment of the underdeveloped areas Dr. Bennet had this to say:

Here are the outlines of the economic problem endangering, nay, preventing world peace. Around the world—in Latin America, Africa, the Middle East and Asia, in what we call the underdeveloped areas—more than a billion people. The vast majority of them—ill-fed, ill-housed, ill-clothed. Eight out of ten of them—unable to read or write. Seven out of ten of them—reduced in body and spirit not only by hunger but by malaria or other diseases. And yet, more and more of them—realizing that their condition is not only unjust but unnecessary. More and more of them—determined to break out of the bonds of misery which hold them. We have begun to deal with this problem, too.
Through the Point 4 program we are cooperating with the people of these underdeveloped areas.

...And in my opinion the key to the world economic problem, the problem of first magnitude in the underdeveloped areas, is the problem of food.

I have been serving in the Point 4 program for less than a year. But I have done some traveling in my time—in Latin America, Africa, the Middle East. What I have seen convinces me that if we are to solve the economic problem which now breeds world conflict, we must begin with food. And, happily, what I have seen convinces me that if we begin with food we will be successful in starting mankind on the road to a world of peace and plenty such as we have not heretofore dared even imagine.16

With reference to the preservation of the capitalist system and the spreading of this system to the free peoples of the world living in the underdeveloped areas an article by Kenneth E. Boulding emphasised these very objectives.

Perhaps the crucial test of the capitalist system will turn on its ability to solve what is by far the greatest single economic problem facing the world today: the development of the so-called underdeveloped areas—inhabited by about three-quarters of the world's population—to the point where at least the grim consequences of extreme poverty (malnutrition, early death, constant ill health, superstition, squalor, and misery) are mitigated.

...The crux of the problem is how to raise the three-quarters of the world that live on a low level to the high level of the other quarter, for it is precisely this wide disparity that makes our world so unstable. American-Russian relations, for instance, would not constitute the apparently insoluble problem which they now pose if the relationship were simply one of America and Russia in

16 H. G. Bennet, Cooperatives In A World At Conflict. Reprint from "AMERICAN COOPERATION 1951", Washington 6, D.C.
that they could perfectly well leave each other alone. The relationship is complicated almost unbearably by the fact that each power is competing for the support of the vast fringe of underdeveloped countries which divide them on the globe, from Poland to Korea. These countries are dissatisfied with their present state and are hovering between the two cultures, wondering which offers them the best chance of shifting from their low-level to a high-level economy.

In this whole difficult situation it is of vital importance to appreciate the relation of economic institutions and economic development to the "whole" culture pattern, and to realize that the success of any set of economic institutions depends on the total culture setting in which they are placed. ...One of the tasks of human inquiry is to discover exactly what the elements are in any culture which perpetuate poverty—whether in family life, or in economic and financial institutions—and then to effect a "minimum" change in the culture which is necessary to eradicate these germs of poverty.

...Cultural change and cultural impact, however, there must be. Such impact is immensely dangerous and may result in disaster to both cultures; yet with the collapse of isolation such impact is inevitable. If it is to be ultimately fruitful, it must be understood much better than we understand it now; the marriage of economics and cultural anthropology must be accomplished, even at the point of a shotgun! 17

In this statement a different approach to the whole problem is evidenced but the goal is the same. Mr. Boulding takes into consideration the whole cultural pattern. By this he means the entire world or the universal society composed of the entire human race. If, after sufficient inquiry, it is determined that some religious or familial factor in a particular area was found

to be the cause of poverty; then the answer is to pull out that factor like a bad tooth. Let there be no misunderstanding, Mr. Boulding is well aware that neither the problems nor the solutions are as simple as that. He is also aware that when the drastic changes which the complete development of the now so-called underdeveloped areas takes place there will result also drastic changes in the cultures involved.

When the total standard of living, including the economic aspects, social aspects and educational aspects, of a group of people has undergone sufficient change to remove that nation or group of people from the classification of underdeveloped to the intermediate or developed group then the marriage of economics and cultural anthropology has taken place. Whether this marriage will have been accomplished in an orderly fashion through a smooth courtship of economic, social and political cooperation will depend on how the change or marriage has been brought about.

History has shown that the economic systems which have developed under totalitarian governments have changed the cultural pattern, yes, but have not achieved the result through freedom of choice on the part of the parties involved. The cultural changes in Russia and her satellite countries attest to this.

As Mr. Boulding has so vividly stated, the task before the capitalist system is to take the necessary steps to maintain that system where it exists and to expand it to the underdeveloped areas where it does not exist. Unless the system can successfully
do this as a system it is doomed in a world where isolation has been abandoned and nations are only a matter of hours apart. If the economic system falls then the culture upon which it rests will fall.

Speaking from the point of view of economics the whole matter of developing the underdeveloped countries by the capitalist system or by the Communist system of economics emerges as the real problem before the world today. It becomes a power struggle between the two major economics systems which lead the world today.

The United States, as the leading capitalist country, has launched the Point Four program as her weapon in this struggle. Russia, as the world leader in Communism, has likewise launched a program which feeds upon the unrest brought about by the very factors which the Point Four program was designed to eliminate. What the outcome will be remains to be seen and to venture a prophecy at this point would be pure guess work. Whether the Point Four program was started too late in some areas is highly speculative. In areas close to the Communist pressure, such as Asia, efforts on the part of the United States have been stepped up, and in fact economic assistance of one kind or another was being introduced in these areas prior to the launching of the Point Four program.

Whether this so-called power struggle of the two economic systems will come to armed conflict is also highly speculative
at this point, but the overall aim of the Point Four program is to extend the free enterprise system to all free nations of the world and thus help them to help themselves become sufficiently strong so that Communism will neither be a temptation as a system nor a threat as a power to any nation in the entire world.

One more factor which is important to the economic reasons why the United States should carry on the Point Four program must be considered. As was noted in President Truman's original proposal, one of the aims of Point Four is to encourage private capital investment in the underdeveloped areas. However, from a purely sound business standpoint many, in fact most, of the countries coming under the Point Four program are not industrially, economically, politically or financially sound enough to attract private investment risks. Therefore, Point Four must make the first moves in these countries.

If capital is to be invested, industries established or agricultural projects undertaken by private investors the labor must be available on the local basis. Too often the labor which is available is non-productive. Mr. Nelson Rockefeller, former Coordinator of Inter-American Affairs, testified:

...people ridden with malaria, hookworm and syphilis cannot be very productive in any economy. Making well men out of sick men is basic to increasing the per-hour productive and earning power of labor. Private enterprise cannot do the big job in these areas of public health and education. They are really the responsibility of governments. ...

However, most governments will not be able to carry the necessary expanded Federal expenditures
unless their economies are developed and their national incomes augmented. Therefore, you have to move on all fronts together to accomplish the goals.18

Once the labor force of a nation is made healthy and productive and economic conditions of the nation as a whole afford a sound basis for investment, private capital will be ready to take over the burden of employing this labor force. Then a high competitive level of employment can be maintained and a high standard of living will be a necessary result.

Point Four must first accomplish the economic—which is actually a social and moral, yes, even a political—obligation to the underdeveloped areas in the fields of health, education and agriculture or food. When this obligation is fulfilled private enterprise will move in on a wide scale, whether foreign or local does not matter so long as the labor force is employed.

POLITICAL REASONS

In order to discuss the political reasons why the United States must carry on the Point Four program the term political must be adequately defined, both as to the definition found in the dictionary and as to the popular usage of the term.

18 Hearings Before the Com. on Foreign Affairs, H.R., 81st Cong., 1st Ses., 83
According to Webster political means "Of or pertaining to polity, or politics, or the conduct of government; as, political theories. 2. Having, or conforming to, a polity, or settled system of administration." 19

The popular use of the term, political, more or less incorporates this idea. For instance, one might hear it said "It is just plain good political judgement for the United States to undertake such a program as the Point Four". Such a remark infers that there will be cooperation between the governments of the countries receiving such assistance. It further infers that such action is a good business venture, or good human, international and social relations. In other words it is a good judgement because it saves our own skin. One often hears the expression in business, it is good politics to handle a certain customer in this or that way. Here there is no element of government involved, but there is definitely an element of business, of social and of economic human relations involved.

Whether we choose to discuss the political aspects of the Point Four program from a purely government acting in cooperation with another government, or from the much broader view of international human relations will depend on the purpose of the discussion. In this paper the aim is to give the clearest

possible picture of the over-all broad reasons why from a polit-

tical standpoint the United States must promote an aid program

such as the Point Four program. To do this it is necessary to
cover every possible implication the term political reasons can
have from the social, moral and economic manifestations of such
a program in operation.

From a practical standpoint the kind of economic system
a country has will determine the kind of government; or the kind
of government will determine the kind of economic system. If the
economic system is one of free enterprise where individual pro-

perty owners make the economic decisions then the government will
be also a free and democratic system where the people have a
voice in how the government is run. There can be certain modi-
fications to this procedure, such as England enjoys today with
certain of her major industries nationalized. But this plan is
yet in the experimental phases of operation and not a part of
the purposes of this paper beyond mentioning that such a system
is being tried in a democracy. But if economic decisions are
exclusively made by the government, then the government becomes
one of dictatorship or totalitarianism, where no voice either in
government or economic decisions is open to the people.

Russia is an example of the latter system. Here all
means of production are controlled by the government down to the
last farm, which has been put under a communal farm program.

This is all done under the guise that the means of production has
been taken over for the workers, but the economic decisions, along with the military and governmental decisions, are made by the government. The officials of the government are elected to office, but there is no freedom of choice here since the ballots carry only one name for each office. The name has not been chosen by the workers but by the government.

This form of government and economic system are found in all the satellite countries under Russian domination behind the iron curtain.

These systems would be extended into the underdeveloped countries, if Russia and Communism are allowed to win out in the struggle for their control.

The unstable economic status, lack of social security, conditions of poverty and unrest brought about by industrial and economic development lag hastened the downfall of the satellite countries to the Communist spell. The countries which have been classified as underdeveloped under the planners of the Point Four program are, in most instances, far behind the satellite countries in industrial and economic development. Communist propaganda is prevalent in all of the underdeveloped countries, the amount and degree depends on the extremeness of the underdevelopment and also on the value that country might be to Russia and the over-all Communist system if they could be enticed into the fold.

Frequent quotations have already been noted in this paper from American Congressmen, Cabinet members and other bankers
of the Point Four program which clearly indicate that these statesmen know the dangers to the underdeveloped countries, to democracy, to capitalism and to the world that this threat of Communism poses.

To further study the aims of the program this quotation from Oscar L. Chapman, former Secretary of the Interior, shows some of the political aspects involved:

Today, the free world is on the march—with Point Four in the vanguard.

While the Soviet world is working to spread the seeds of Communism, fomenting wars and persecutions, peoples of democratic countries everywhere are resisting with all their might. Compelled to build strong military defences, many are coming to realize that Communism cannot be stopped by armies alone—that vigorous self-action for the alleviation of economic ills is as necessary as guns, tanks, and planes to maintain freedom and offset the false appeal of Communism to the hungry, poverty-stricken and distressed. ...

The Department of Interior considers that the full and proper use of natural resources is essential to the economic well-being of this country and the world.

Development of these resources, and wise utilization for the welfare of people everywhere, will serve in large part to assure the present and future security of the principles of human liberty and freedom to which we and the rest of the free world are dedicated. ...

Guarding the rights of free men and the right to keep their democratic ideals alive through cooperative endeavor is Point Four in action. It's aims are lasting peace and security for peoples everywhere. 20

Mr. Chapman has recognized that the democratic world has been challenged by the Communist world, not only on the military ground but on the ground of economic development and social security of those nations around the globe who suffer from the absence of technical, economic and industrial development.

To meet this challenge the free peoples must wisely develop and utilize the natural resources. It is the aim of the Point Four program to assist the peoples of the underdeveloped areas to develop and utilize their own natural resources; and a further aim to guard their right to keep their democratic ideals alive so that they can live in the freedom for which God ordained man.

Along this same line of thinking but adding to it the effect of Point Four action on American Freedoms of action Dean Acheson, former Secretary of State said:

Now this brings us close to the heart of our real interest in the Point Four Program. It is our faith—our deepest conviction—that representative and responsible government is more deeply in accord with man's nature than any other system of government. We believe also that representative governments by their nature contribute toward world peace. We have an interest, therefore, in the development of such governments in the world, because we are seeking to create an environment in which we can live peacefully and continue to develop our own society.

But if, in our Point Four Program and all other activities that affect the underdeveloped areas, we seek to encourage and assist the governments of these countries to deal responsibly and effectively with the aspirations of the peoples, and by our influence and our aid assist in the development of representative institutions—then
we shall be serving our own ultimate interests and the interests of world peace.

The goal of spreading the free enterprise system of economics and free democratic system of government, interwoven as the two aspects of human endeavor are, is expertly described by Mr. Acheson. He sees the vital need as it exists in the underdeveloped areas and the long range value it will have to the preservation of our system of government and our economic system.

Mr. Acheson and Mr. Chapman sincere as they are in their outlook and aspirations for Point Four action have not had the on the spot experience that a man like Chester Bowles, former Ambassador to India, has had. For an opinion on the program this quotation from Mr. Bowles will serve to further show that all democratic leaders share the ever burning desire to foster democratic freedom and human dignity the world over:

There is only one basis on which America and the underdeveloped countries can grow closer together, and that is an honest, mutual desire to build a more secure and freer world. If democracy succeeds in India, Japan, Indonesia, Ethiopia, Liberia, Egypt, Brazil, Venezuela and other Asian, African and South American Countries, every American will have increased reason to hope for a better existence for himself and for his children.22

Mr. Bowles was on the spot to see Point Four in action. He knows better than any Congressman or Cabinet member the pit-

falls, heart ache, long hours of arduous labor, discouragement and criticisms involved in launching such an undertaking in a country like India. He knows the great feeling of satisfaction which comes with seeing projects of the program prove successful and thus encourage the whole-hearted support of many natives in expanding the program.

India presents one of the most outstanding examples of a country in dire need of Point Four aid. Some of the many factors which prove this are: a population of close to 400,000,000, with a per capita average income of $41 in 1939, vast underdeveloped resources, and an age-old cast system which for generations fostered poverty among its 'untouchables'--this cast system has been abolished by law--high rates of illiteracy, low sanitation standards, widespread disease, starvation and finally but by no means of minor importance the strategic location of this huge country in respect to Soviet Russia.

Point Four aid went into India early and has been expanded continuously to assist that nation in her efforts to overcome preventable diseases, combat starvation, assist in education, transportation and in general to raise the standard of living of all Indians.

The great hope of the Point Four program, from the political standpoint, is to foster the growth of free democratic government and freedom of action basic to human dignity in all free nations of the world. Exploitation was for so long practiced
in many of the underdeveloped countries of the world that, as
Mr. Bowles stated, some nations hesitate to avail themselves
of the American Point Four aid. Perhaps as success follows
success in the now participating nations others will be influenc­
ed to the point of asking for the aid.

The program, of necessity, is long range. Poverty,
disease, illiteracy and early death expectancy cannot be wiped
out over night. But the long range program is for long range
lasting world peace. The ethical, social, economic and political
aspects of the program, inmeshed as they are, are all in the
challenge America has before her today as the world's leading
nation to save the underdeveloped countries from the grip of
Communism.

The free world today is engaged in a life and death
struggle with the Soviet dominated Communist world to save
democracy as a system of government and capitalism as a system
of economics. This great power struggle involves the basic
philosophy upon which the free governments were founded and on
the Christian and democratic moral philosophy of the God given
human dignity of man.

If we have the courage and the imagination
to grasp this opportunity, history may recall that
1953 was the turning point in the age-old struggle
to build, through democratic means, a world of ex­
panding opportunity and freedom for all men. 23

23 Chester Bowles, "Point Four Begins and Indian Rev., 66
To attempt to enlarge on this statement by a man so learned and thoroughly steeped in our democratic Christian philosophy and possessing such a wide range of experience in the field would be foolhardy.
CHAPTER III

COUNTRIES RECEIVING POINT FOUR AID

There are thirty five nations now under Point Four agreements with the Mutual Security Agency of the United States. When the TCA went into operation there were several countries in Latin America participating in the Inter-American Affairs Institute program. These programs were incorporated into the TCA set-up to get all aid programs under one heading. This same arrangement was true of all other aid programs going into any other underdeveloped countries prior to Point Four. This consolidation is explained on pages 4, 5, 6, and 7 of Chapter I.

The purpose of this chapter is to show where the Point Four appropriations have gone, how much each country has received in dollars, how much they have contributed, and the personnel which the United States has sent in each area. Also some indication will be given as to what the money and the time of the American experts have been spent on in these various countries.

The most complete breakdown on such information was

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1 See Appendix I for complete list of nations and the sums spent in each up to June 30, 1953.
published in the New York Times, January 12, 1953. The figures were given to the Times by the TCA, but the information concerning the projects in operation in each country was gathered by correspondents of the newspaper in a country-by-country survey.

The United States costs reported here are the total of budget authorizations for the two fiscal years 1951-52 and 1952-53. The reports on local contributions are estimates of the expenditures in local currency and in goods and services, to the extent that these can be evaluated, by the cooperating governments for the same two fiscal years. The "trainees" refer to the total of training awards granted to promising specialists in the beneficiary countries for the two fiscal years, and includes those in training in the United States, their own country or other countries extending such training under the program. "Staff" refers to the United States staff authorized for the current fiscal year, 1952-53, ending June 30. This does not always mean that many Americans are actually on the job in each country. 2


Since the figures in this article were complete in breakdown and the survey was conducted by an impartial newspaper it was deemed advisable to use this information. In each instance, other than those so designated by separate footnote, statistics, opinions and other information used in this entire Chapter were taken directly from the Times survey as reported by Mr. Lissner.
AFGHANISTAN

U. S. cost, 1951-53 $948,720
Local contribution $5,750,000
Trainees 36
Staff, 1953 26

Afghanistan is a nation completely landlocked and for centuries inhabited by nomads and herdsmen. Today under free democratic government with the aid of Point Four this nation is making every effort to improve food supplies, to construct irrigation facilities and power plants, to develop a sound public health system, to improve education systems and to increase the use of natural resources.

Two mining engineers from the United States are helping establish a coal mining project.

A team of research personnel from the United States is working with Afghanistan teams in reclamation of land, in the development of a public health system, educational and agricultural programs.

Laboratory equipment and other technical equipment has been provided for the Afghan Institute of Technology, where American instructors are training Afghans to take over the development projects. Small grants have been made to Habiba College for the same purpose.
BURMA

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<th>U. S. cost, 1951-53</th>
<th>$21,000,000</th>
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</thead>
<tbody>
<tr>
<td>Local contribution</td>
<td>$37,380,000</td>
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</tbody>
</table>

Trainees 184
Staff, 1953 146

Burma presents one of those rare and difficult problems hard for Americans, with their extremely progressive and materialistic outlook, to grasp and to cope with. Because of aversion of Burmese Buddhists to killing any living thing the whole program of pest control has had to be revamped to fit the local situation. The word "kill" is never used by BCA experts; they simply conduct a "crop protection" program by "repelling would-be attackers".

Even more irksome to the American way of thinking the dedication and opening of a health center was repeatedly delayed by a Burmese official because he was awaiting the decision of astrologers regarding a propitious time.

In spite of this the Point Four program has gone forward in getting war torn harbors restored. With the help of other United Nations agencies the malaria incidence in some areas has been reduced from 50 to 10 per cent.

Infant diseases in Burma cause the death of three of every ten babies in the first year. A survey is being conducted to curb this and a 500 bed hospital is under construction.

Rice is a huge natural resource in Burma, in fact, prior to the war she sold her surplus to Asian areas from Japan.
to India, but her present exports are one third of the pre-war figure. Point Four experts are helping to improve this important exportable crop production. American farm experts are helping Burmese farmers to integrate better methods, seed improvement, livestock disease control and irrigation projects to improve crop yield.

In the field of education assistance ranges from equipment up to exchange trainees in engineering between Rangoon University and the Massachusetts Institute of Technology.

Thus the three major fields for Point Four concentration education, public health and agriculture are being widely served in Burma.

INDIA

U. S. cost, 1951-53 $98,160,000
Local contribution $54,000,000
Trainees
Staff, 1953 360
Trainees 231

India receives the largest sums of money of any nation under the Point Four program. She is the largest nation in area and by far the largest nation in population. Furthermore, every possible problem which the Point Four program was designed to attack is present in India in the most extreme form. This nation has some of the world's richest men and an abundance of the world's most poverty stricken and destitute men. To further emphasis this point Mme. Vijaya Pandit, sister of Premier Nehru, in telling
of the objectives of her government said:

In India one speaks of the nine-tenths of the nation which is ill-fed, ill-housed and ill-clothed. In America, each of you has an average life expectancy, a reasonable hope of living to sixty-three. In India, our people can only hope to live to an average age of twenty-seven years. Our first effort, therefore, is the terribly urgent one of giving Indians more food, shelter, clothing and improving their health. ...Priority number two, and only just below that of giving more food to our people, is to give them more democracy. There is going on in India one of the greatest democratic upheavals the world has ever known.

In addition to the problem mentioned by the far-sighted and democratic minded Ambassadoress India's population is 90 percent rural and thus engaged primarily in agriculture. In reference to farming in Asia Raymond W. Miller, Visiting Lecturer Consultant, Food and Agriculture Organization, United Nations, in speaking of the Asian plowman said:

For two-thirds of the world's farmers the plow is the same one that has been used for 1,000 years. Yet a metal turning plow, worth only a bushel of wheat, would increase his production many fold. ...Most of the grain of Asia is cut with an eight-inch sickle, or an even smaller tool, and threshed by the feet of man and animals.

To further complicate and hamper progress in India a

3 NBC Radio Discussion, The University of Chicago Round Table, June 26, 1950

variety of vastly different religions are adhered to including Moslem, Hindu, Buddhist and Christian. From a social standpoint India has long had one of the world's most marked class systems where large segments of the population were classified as "untouchables". These peoples were treated by all other classes of society as less than animals. The movement from one social class to another was physically impossible. With the coming of independence and the establishment of a democratic government these cast systems have been abolished by law. The mere passing of a law does not abolish a practice of hundreds of years in the making in a day, progress in this field is slow but noticeable.

Despite the very low per capita income, India has great natural resource supplies in such products as coal, gold, chemicals, jute, minerals and lignite. Her technological progress has lagged so far behind the Western world that many of the resource supplies remain untapped. 5

Strategically for America and the United Nations, India holds the key to keeping the line in Asia against Communism. If India should fall to the Soviet domination then the whole of Asia would just have to be wiped off the books and the iron curtain would sweep down on the bulk of the world's population. How long the free world would remain so would be a wild guess on any man's

5 "India", Encyclopedia Americana, 1952, N. Y., 15, 1-5
part. India, with her new found democracy and a great leader, premier Nehru, knows this. They also recognize that unless the masses of people are given the much needed social and economic necessities to maintain life they will fall prey to the Russian false promises of security. India was quick to make use of the Point Four aid. She promptly indicated the needs and her plans for attacking the problems with American assistance. She met all qualifications necessary and has faced up nobly to her responsibilities in the entire program.

In the field of agriculture the most successful approach has been the rural development projects. Each project covers 300 villages with 200,000 inhabitants and employs about 125 specially trained village workers and a small staff of American and Indian experts. The project aims are to increase food output, provide potable water, foster irrigation, introduce fertilizer, teach reading and writing, devise better tools, improve village workshops, farm production, marketing and credit cooperatives and better the forms of land ownership.

In this way the problems in India are attacked from every angle possible and through patience with a culture so aged and geared to the slowest kind of progress, Point Four is helping the infant democracy move toward her goal of improving the living standard of 100,000,000 peasants.

Agricultural centers have been opened in seventy-four places, covering all the states of India, and many more are in
the planning stage.

Indian officials point to concrete results already achieved by Point Four, such as 800,000 acres of land brought under cultivation by reclamation and an increase in grain production of 200,000 tons per year.

The success has been achieved by the simple method of American technicians working in shirt sleeves alongside Indian workers in the plain American "show-how" method of approach.

One problem brought under control in India, Iran, and Pakistan through Point Four cooperation is the locust hordes which plague the farmers in the Middle East, some parts of Africa and South Asia, leaving famine in their wake.

Locusts come in cycles, and 1951 was a bad locust year. The United States loaded small planes into giant DC-4 Skymasters and with powerful American-made insecticides the small planes sprayed thousands of acres of land. William Mabee, of the U. S. Department of Agriculture, directed the Point Four locust control operations with scientists from Iran, India, and Pakistan coordinating the aerial work with the ground efforts. With all nations in the area fighting the locusts as a common enemy, there is hope that in a few years the locusts will never again plague the ancient lands of the East.
Indonesia presents a problem for point Four and, as the New York Times puts it, aid goes to this country "under wraps". The question of political soundness looms ever in the minds of critics of the newly formed local government and the Mutual Security Agency for its assistance to this embryonic democracy.

We must try to understand this Republic before we criticize, and we must look at both sides of the picture. The Indonesians were ruled by the Dutch for centuries. Although the Dutch fostered progress in technological development and improvements in agricultural methods, they kept the natives almost totally illiterate. Once in awhile the Dutch would select a young Indonesian for study in Holland colleges, but as these students learned of the freedoms enjoyed by other peoples they frequently rebelled against Dutch domination. The rebels were always thrown into jail, usually for life.

When the Japanese took over these "jail birds", being the only educated natives, were put into power in a puppet government. When the Japanese were defeated the puppet government threw the Japs out and refused to turn the government back to the Dutch. The new Republic appealed their case to the United Nations and was granted independence from Holland. Thus the
Dutch lost out for good and much ill feeling and misunderstanding have grown out of the situation. There are frequent riots, bloodshed and general upheaval in Indonesia right along.

The government today is one of pure oligarchy. Its leaders are all under fifty because, as one leader stated it, the older and ignorant men were never thrown into jail where a free government was being planned, so we have an army, as it were, of five star generals and privates but no captains. There have been no free elections in Indonesia. Why? Because 90 per cent of the people are illiterate, people who cannot read cannot rule. They cannot understand words like democracy, elect, judiciary or parliament. Those captains must first be provided from the ranks. The oligarchs of Indonesia are providing education on a mass basis for adults and children alike educating the people along the lines of free democratic rule. As one Indonesian leader put it: "The best we can hope for is to make our people understand the big ideas of government, what we call the five principles. Belief in God, Nationalism, Humanity, Sovereignty of the People, Social Justice." 7

Indonesia is a vast area of rich resources. From one end of the country to the other is farther than from New York to Berlin. Throughout much of the country there are no schools, no

7 James A. Michener, The Voice of Asia, Bantam Books, N. Y., 1952, 166
newspapers and no communications. If Point Four aid can help to speed up the educating of these people and prepare them for democratic government, then few will question its justification for operating under the present conditions.

Point Four aid has gone to Indonesia in technical aid for bettering the educational system, improving health conditions in modernizing the fishing industry, and establishing cottage industries and setting up parasol, leather, wood and ceramics factories.

There have been outright gifts in some of the fields mentioned above. Such gifts range from a sawmill to 329,050 spades and include hybrid corn seed, obstetric kits, ploughs and dental equipment.

More than one-third of the 80,000,000 population is stricken with malaria each year. Point Four technicians are assisting the Indonesian government in a vast anti-malaria spraying campaign.

Some promising young Indonesians are being trained in the United States.

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8 James A. Michener, The Voice of Asia, 157-179
NEPAL

U. S. cost, 1951-53 $544,202
Local contribution (Unavailable)
Trainees 10
Staff, 1953 12

Nepal is an independent kingdom about the size of Alabama with a population of approximately 9,000,000 on the southern slope of the Himalayas, between Tibet and northeastern India.

Little has been known of this ancient kingdom where one Point Four expert from America—Robert S. Sanford, Bureau of Mines engineer—estimates only 30 Americans have ever visited.

Nepal is primarily an agricultural country with 54,000 square miles of densely populated land. Agricultural methods are ancient and poor in production. The primary objective of Point Four is to improve these methods and increase output.

Mr. Sanford said of Nepal: "The one big thing about Nepal is that all the people work very, very hard to earn their food, but they are far better fed than in many underdeveloped countries."

Point Four is operating in Nepal in village development projects which include improvements in public health, agricultural advancements and education programs. Training for university students is transmitted from the American experts through Nepali teachers trained in Indian universities.

One Nepalese student has been trained for 2½ years in the United States at the Bureau of Reclamation Engineering Center.

9 Florence Taaffe, "Nepal, Known to Few Americans, Opens way For Point IV", U.S. Dept of Int., 1951, 36-38
in Denver, Colorado and at the University of Iowa at the expense of his own country. Others hope to follow this line of training.

Point Four and Nepalese technicians are conducting surveys to start small power plants for small industries and in mining and mineral possibilities of the country.

PAKISTAN

<table>
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<td>Local contribution</td>
<td>$12,254,000</td>
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<tr>
<td>Trainees</td>
<td>222</td>
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<tr>
<td>Staff, 1953</td>
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Pakistan, along with India, became an independent democratic nation in 1947. The tremendous problems of adjustment, relocation of citizens and the improvement of economic conditions present a staggering challenge to this child of democracy.

Relations between India and Pakistan have been stretched to the breaking point many times. The clash over religious differences has been widespread. Because of religious differences millions were forced to pick up, bag and baggage, and move from Pakistan to India or from India to Pakistan in the geographic division of the two nations.

These problems together with limited resources—her primary resources are grain, timber and jute growing—backward production methods, limited power facilities and, in general, widespread poverty put Pakistan in great need of Point Four assistance. Also the threat of Communism is of grave importance
in this nation so near the Soviet sphere of operation.\textsuperscript{10}

Point Four aid has included agricultural-industrial development institutes to train workers and demonstrate effectiveness of village-self-help programs; the setting up of a forest research laboratory to assist Pakistanis in the development of forest products industries; locust control; public health programs; and public administration housing control.

Pakistan has obtained technical assistance from the United Nations agencies, and private and public organizations and agencies of one kind or another in her effort to improve the economic progress and security of her nation.

THE MIDDLE EAST AND AFRICA

EGYPT

\begin{tabular}{|l|}
\hline
U. S. cost, 1951-53 & $3,425,000 \\
Local contribution & $4,252,000 \\
Trainees & 129 \\
Staff, 1953 & 82 \\
\hline
\end{tabular}

Egypt, like other Middle East countries, is constantly under the threat of Communism, and as such is of vital importance to the rest of the free nations of the world.

Egypt has suffered at the hands of exploitation, war and internal upheaval for generations. She presents problems of

\textsuperscript{10} Information through this paragraph on Pakistan was taken in part from Encyclopedia Americana, 1952, N. Y., and from Point Four Information Packet, U.S. Govt., Print. Off.
greatest magnitude in the fields of disease, low health standards, illiteracy and agricultural backwardness. Point Four assistance has gone into effect in each of these fields.

Techniques developed in replanting the American dust-bowl are being employed on the 15,000-acre demonstration area on which Point Four experts are working. The Egyptians estimate they will recover 3,000,000 acres this way, Americans are more skeptical. Given the American techniques it is uncertain what they can accomplish in this desert still strewn with land mines and shells from the invasion of the German Afrika Corps in World War II.

In 1952, Point Four started to build 60,000 latrines at a cost of $1.80 each whereby human waste can be sanitarily disposed of and cut down the incident of dangerous disease spread.

In-service public health nurses are being trained in public health activities.

A new type water-repellent brick developed by American experts on the spot is being used to build 20 demonstration houses cheap to construct to aid in training and planning future settlement of housing shortages.

Egypt has 200 technicians being trained in the United States.
ETHIOPIA

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<th>U. S. cost 1951-53</th>
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<td>$500,000</td>
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<td>Trainees</td>
<td>20</td>
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<td>Staff, 1953</td>
<td>67</td>
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In Ethiopia Point Four survey teams were given a cold reception and work progressed slowly because American experts were constantly burdened with the job of selling the projects to local officials.

However, Emperor Haile Selassie is greatly interested in agricultural improvements and advancements in agricultural education. One secondary agricultural school has been opened.

Ethiopia is planning to spend $5,000,000 for an agriculture and mechanical college. The United States is giving limited funds and expert staffs to speed the completion of this institution.

For handicraft training, $50,000 has been provided. An American school administrator has been named associate director of the Empress Menen Handicraft School.

Surveys are being conducted into the resources for irrigation and power development.

Valuable public health, disease control and personal hygiene information has gone into Ethiopia through Point Four projects.
Iran, vulnerable as she is to Communism, is of great strategic importance to the democratic nations of the world hence Point Four aid has been pushed with urgency on the part of both the United States and Iran.

The countries of Iran and Iraq benefit from outside capital investment in oil production, but the fields of agriculture, education and public health for the nation as a whole are in desperate need of change and improvement.

In the field of agriculture Point Four has set up research training programs in seed, planting, irrigation, and harvesting methods where technicians are being trained to work as county agents. Villagers have been assisted in setting out thousands of seedling trees and technical aid has been given in training for forest conservation.

Livestock stations have been established for long range livestock improvement. Breeding flocks of sheep, goats, cattle, jackasses and chicks have been improved. Courses are being offered in veterinary and demonstrations throughout the country in the vaccination of livestock are being conducted.

Almost 9,000 villages have been sprayed with DDT to help control malaria. Dusting and delousing demonstrations
helped ward off a lice-borne typhus epidemic. Thousands were given typhoid immunization shots in a project demonstration. Hundreds of sanitary latrine covers have been supplied. Mobile health and x-ray units have been put into operation. Medical colleges are being helped to expand facilities.

In the field of education training has been provided for 1,200 rural teachers and villages without schools are being encouraged to establish them.

Surveys are being conducted in port organization, highway construction and maintenance, railway maintenance, airways operations, industrial, mineral and water resources possibilities.

IRAQ

| U. S. cost, 1951-53      | $2,056,000 |
| Local contribution       | $16,621,000 |
| Trainees                 |             |
| Staff, 1953              |             |

In a survey conducted by the International Bank for Reconstruction and Development this statement was made of Iraq: "Today the people of Iraq for the most part suffer from dire poverty. ...In a country like Iraq principal emphasis will inevitably need to be placed on the development of agriculture." 11

Here, as in Iran, foreign investments are developing

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the oil industry with large sums of capital, but the effects on local standard of living cannot be far reaching for the nation as a whole since the per capita income still remains at the poverty level.

Iraq, like Egypt, has put up greater capital investment in Point Four projects than has the United States. With the help of American design and construction engineers, irrigation specialists and ground water geologists Iraq is planning a multi-purpose development of the Tigris-Euphrates waters.

Point Four helped in setting up a land development program where 10,000 families were settled on state-owned lands. Aid was given in reclamation, agronomy, housing and cooperative experts to train local staffs to carry on the program.

Point Four locust control programs in conjunction with the Iraqis saved millions of dollars' worth of crops.

Aid is going into a survey of highway construction and maintenance.

Point Four is financing the establishment of new schools, improving present schools and advancing public health facilities.
Isreal is another nation where independence is not firmly established. She has received a lot of financial and material aid from a variety of sources throughout the world. Countless dollars have been sent from American citizens in one Isreali fund raising campaign after another. In a nation torn by civil strife from war-like massacres to social animosity on the part of her citizens and neighbors and a nation where over 1,000,000 immigrants have come in a few short years demands are very great on the available resources.

In the problems of resettlement and development Isreal has found it necessary to apply for Point Four aid. Point Four funds have gone primarily into agriculture development and improvement.

Limited funds have gone into programs to develop fertilizer, potash, petro-chemical and ceramics plants and other small industry projects.

Sanitary engineers are engaged in programs for purification of water and milk supplies. Public health programs are being augmented.

At first Isreali officials viewed Point Four as another supply program but they soon learned that it is a self-help and technical advice program.
Jordan, like Israel, India and Pakistan, has been subjected to a changing population with all its economic, social and political repercussions brought about by the changing of boundaries and establishment of new and independent nations.

Jordan has the task of resettling 500,000 landless refugee Arab farmers from Palestine.

With Point Four funds work has begun on the Yarmuk River-Jordan Valley irrigation project in the hope that many of the agricultural difficulties can be obviated. The project is designed to create 120,000 acres of arable land, where 21,000 families can be settled. Also in the agricultural field grain storage is being improved and agricultural machinery is being distributed.

In the field of education Point Four is helping Jordan build and equip a teachers college in Amman.

In the public health program a maternity hospital is being built and local technicians are being trained in public health advancements.

Industrially mineral deposits in the Dead Sea are being extracted, manganese is being surveyed in southern Jordan and the development of tourist trade is being encouraged by Point Four.
LEBANON

U. S. cost, 1951-53
Local contribution
Trainees
Staff, 1953

$6,515,000
$799,000
109
94

Lebanon, a country about the size of Connecticut and lying north of Palestine on the eastern edge of the Mediterranean contains only 4,000 square miles inhabited by over a million persons. Two-thirds of the inhabitants live in the rural areas and agriculture is the country's principal support. Mostly fruits and garden vegetables are produced in the land now under cultivation. Because of a deficiency in the production of cereal crops, Lebanon has to import large quantities of wheat, barley and corn.12

Because of the need for increased food output and irrigation Point Four has been primarily concerned with the pre-construction survey of the Litani River basin drainage area in southern Lebanon, which would bring power, irrigation and rural improvement to more than one third of the nation.

There has been much opposition to the Point Four program in Lebanon, however, and unless the pending agreements for projects are signed by the Lebanese government Point Four will be forced to reassign technicians elsewhere.

The 1953 appropriation for Lebanon is $3,000,000, but the prospect of her losing this is evident because of the lack of cooperation. Lebanon resents U. S. vacillation in the Middle East, American support of Israel, suspects Point Four of politi-

aspirations and is extremely sensitive over their newly-acquired independence and sovereignty. Furthermore, both Christians and Moslems were put out because Point Four aid was given to the American University of Beirut—a center of Syrian irredentism—by-passing the Universite Saint-Joseph, a Jesuit university which has a large local clientele. French toes were trod upon when the Point Four program barged into other areas of the education field.

Here is the first example of real discouragement and possible failure of the Point Four program in operation on a nationwide scale. There have been projects fail in some instances before, but in all other countries the vast majority of Point Four program activities undertaken have been successful.

LIBERIA

U. S. cost, 1951-53 $2,634,000
Local contribution $1,383,000
Trainees
Staff, 1953 84

Liberia was the first country to sign a general Point Four agreement which embraces its entire economy. Development is being carried on by direct contracts, agreements with United Nations agencies and full use of Point Four.

Programs range from aerial mapping to public health assistance. Plant materials from demonstration nurseries are distributed at cost to farmers, an extension program has been introduced at several secondary schools, a forestry survey is
underway and farm marketing and credit cooperatives are being organized.

Technical advice is being given on highway construction and maintenance, design of public buildings, installation of municipal services, improvement of fiscal administration, improvement of port facilities, development of meteorological services, study of hydroelectric potentialities of rivers and research in agricultural engineering, insect and animal pests and fisheries.

Public health services are being expanded and clinics are being built in the hinterlands.

Vocational education and teacher training programs are being fostered through Booker Washington Institute, the University of Liberia and other Liberian Institutions.

Liberia is attacking her economical and social problems from every possible angle and attempting to obtain the most efficient results from Point Four aid.

LIBYA

U. S. cost, 1951-53 $2,770,000
Local contribution $929,000
Trainees 30
Staff, 1953 60

Libya was formerly a colony of Italy and received independence only in January 1952 under the United Nations. In 1938 this colony had a population of 888,000 and in the entire population there were but nine college graduates.
It is plain to see why much of Point Four aid is earmarked for education. Elementary education has now been made compulsory and Point Four is helping to establish a complete public school system. Technical, clerical, teacher and agriculture training and education for the blind and handicapped are being expanded where such schools exist and established where they do not exist already.

The mainstay of life here is agriculture. Yet vast sections of this African country are barren desert. The principal crops are olives, dates, barley and grapes. Point Four surveys are underway to develop means of using the supplies of surface water for irrigation and thus increase the growth of cereals, vegetables and other crops.

A system of grading and sorting wool has been introduced and growers get five cents per pound more for the graded product.

Ninety Libyans are in training under Point Four at the capital in plumbing, electrical work and other skilled trades so badly needed throughout this desert nation.

SAUDI ARABIA

U. S. cost, 1951-53 $1,776,000
Local contribution $1,750,000
Trainees 30
Staff, 1953 38

In Saudi Arabia the Point Four program met a difficult kind of problem, namely, of helping that tribal and very conserv-
ative Moslem country adjust to sudden wealth. The colossal oil revenues were channeled into useful directions and at the same time the machinery of a modern state government was put into operation.

A monetary agency was established giving Saudi Arabia a bank issue, a treasury and a fiscal and banking system.

Agriculture, limited though it is due to water scarcity, is being expanded by American assistance. Water survey teams are locating underground water supplies and drilling wells. Dam sites are being selected and aerial geological survey is being planned.

A community development demonstration project is getting underway in the remote southern highlands.

A public health laboratory for the production of serums is being founded.

Work has been started to expand the Damman-Riad railway to the Red Sea of Jedda.

In education programs Point Four has started two new schools.
LA
TIN AMERICA

Aid from the United States has been going to some of the Latin American countries since 1942 when the Institute of Inter-American Affairs was established. This program operated on the same self-help basis that the Point Four program is designed to work. The benefiting country must put up part of the necessary capital, sign an agreement with the United States and cooperate to the fullest possible extent with North American experts.

Some time ago, Mr. John W. White wrote two articles on the successes in Latin America of the Institute of Inter-American Affairs, often referred to simply as II-AA. With reference to the future possibilities of the Point Four program in these countries he wrote: "Living standards in Latin America have been boosted by a U. S. project that sets a pattern for our Point Four program."13 Speaking of the job done in public health he wrote: "Disease and poverty are being driven from the great river valley basin by an American-launched program, which in one Brazilian town has cut the yearly death rate from 20 per 100 to 7."14

13 John W. White, "We're Building A Better Hemisphere", Reprinted from Collier's, Jan. 27, 1951

14 John W. White, "Miracle On The Amazon", Reprinted from Collier's, Feb. 3, 1951
When the Point Four program was started and the Mutual Security Agency founded all aid programs were brought under this Agency. The II-AA programs thus came under the MSA. Many writers on the subject in Latin American references still call it II-AA while others credit all the success in these countries to the very recently formed Point Four program, which could not possibly have achieved such ends in two years.

In the pages which follow Point Four activities in the Latin American countries will be discussed. It is not possible to indicate where II-AA projects left off and Point Four began. In some instances there was simply a continuation in others a whole new area was entered into by Point Four. There has been no attempt made here to separate the two fields of American assistance. All references will be made with regard to Point Four. The reader is reminded to keep in mind Point Four personnel know which jobs were completed by II-AA and which jobs are being done now by Point Four.

The purpose here is to show some of the successes achieved and also to show what fields of endeavor the American dollars are now being spent in these countries. Each country has been taken separately because, though the problems are basically the same, each one has geographical, climatic, natural resource and social problems peculiar to it alone which have been attacked by Point Four experts.
BOLIVIA

U. S. cost, 1951-53 $2,830,000
Local contribution $850,000
Trainees 54 15
Staff, 1953 60

Bolivia, comprising an area comparable to Texas, New Mexico and Louisiana combined, is rich in minerals which constitute 90 per cent of its total export. Most of the country's 4,000,000 people are concentrated on the broad plateau known as "Altiplano", between the two great ranges of the Andes. It is on this plain, which averages 13,000 feet in altitude, that the minerals are mined.16

Political upheavals and economic troubles harass Point Four work in Bolivia, but public health centers have been successfully established in the mining area.

These centers treat the large Indian population and teach the rudiments of sanitation. Maternity centers provide prenatal and lying-in facilities for Indian women who formerly had their babies in the fields.

Experimental farm stations have been set up and an agricultural college and health center is planned. A normal school for training teachers is operating but the rural school system was disrupted by revolution.

15 Will Lissner, "Point 4 Promotes Better Life In 35 Nations, Survey Finds", The New York Times, Jan. 12, 1952, 10-11. Figures on Point Four expenditures in Latin America have been taken from the Times again, along with the data, unless specified in separate footnote, on the progress of Point Four activities.

BRAZIL

<table>
<thead>
<tr>
<th></th>
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<td>Staff, 1953</td>
<td>162</td>
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</table>

Brazil gets the largest Point Four outlay of funds.

Brazil also contributes more than twice the amount that the United States spends, all this adds up to the biggest Point Four program in all Latin America.

In an all out effort to improve economic status, material progress and social well-being Brazil has conducted large surveys with the help of American experts. To implement the projects studied under these surveys loans from the Export-Import Bank and the International Bank for Reconstruction and Development are being negotiated.

United States technicians are working with Brazilians to improve the rubber output and to teach farmers to use modern mechanized agricultural equipment and methods.

A Point Four project operates industrial teachers' training schools.

Point Four funds go into a wide variety of public health and sanitation programs throughout Brazil.
CHILE

U. S. cost, 1951-53 $2,410,200
Local contribution $2,400,000
Trainees 61
Staff, 1953 43

Point Four has set up an agricultural development program in Chile.

Technical assistance is also being given in some medium and small industries to increase productivity. Aid has been given to a geological survey, development of low-cost housing and work in vital statistics.

A vigorous pre-Point Four public health program has been operating since 1943. With United States aid, Chile has built 224 miles of sewers in thirteen communities, provided water supplies in villages, set up five health centers, equipped a School of Public Health, housed the Bacteriological Institute and built two hospitals.

COLOMBIA

U. S. cost, 1951-53 $1,738,400
Local contribution $3,100,000
Trainees 61
Staff, 1953 37

The Colombian government has launched a many-sided development program and has enlisted the aid of the special agencies of the United Nations and many specialized agencies. Point Four fits into their scheme like it was made to order.
American experts are assisting in the all-out agricultural effort to get away from the one crop, coffee, economy which has for so long been practiced in Colombia.

Rubber is being expanded with new vigor. Coal mining, almost never touched before, is being instituted by Point Four development. Advice has been given in the development of commercial and government aviation.

Americans are training Colombians in public health work, malaria control devices and sanitation and personal hygiene programs.

COSTA RICA

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<td>Staff, 1953</td>
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The agricultural extension programs have been very successful in Costa Rica under American guidance. Since the country has many small landowning farmers this type of program is adapted easily to their system of farming.

The agricultural experiment center at Turrialba has become the main base of United States Point Four aid in Central America. It develops better plant species, hybridizes sturdier stock, improves seeds and teaches scientific farming and good animal husbandry.

Costa Ricans trained by Americans have taken over the
extension service which has permeated Costa Rican agriculture with marked results. Costa Ricans under Point Four medical directors operate sanitary units, dispensaries, malaria control, drainage, water supply and hospital improvement projects.

CUBA

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<tr>
<td>U. S. cost</td>
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</tr>
<tr>
<td>Staff, 1953</td>
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The island country of Cuba has been enjoying prosperity during the war years and since because of the high world sugar prices. How long this prosperity will last is unpredictable. Therefore, one of the major problems for Cuba and Point Four experts is the development of other economic income resources.

Some success has been met in the development of a disease-resistant kenaf plant with a high yield per acre. Kenaf is a member of the ambary plant family which produces a jute like fiber used for making bags, ropes and like products. This product is being developed because it is of great domestic value, can reduce import needs, and diversify exports. Although the Cubans have spent millions of dollars in developing processing machinery other mechanical problems have to be worked out before a large kenaf industry can be undertaken. American advice is being used in working out these final mechanical and industrial details.
In addition to aiding the overall economic situation in Cuba, industry will be of great value in taking up the slack in the seasonal unemployment in the sugar industry.\textsuperscript{17}

\textbf{DOMINICAN REPUBLIC}

\begin{tabular}{ll}
U. S. cost, 1951-53 & $586,900 \\
Local contribution & $200,000 \\
Trainees & 22 \\
Staff, 1953 & 17 \\
\end{tabular}

Since April 1951 the Point Four program and the Dominican Government have been teaching in the new six concrete building School of Arts and Crafts on the outskirts of Ciudad Trujillo.

This institute teaches carpentry, cabinet-making, general mechanics, automobile mechanics, electrical work and radio technique.

Point Four is also operating in the field of agriculture in soil improvement and crop expansion. Experiments are being conducted at Licey al Medio and Piedra Blanca to increase the output of tobacco and rubber.

\textsuperscript{17} Summary of Report On Cuba, "Findings and Recommendations of An Economic and Technical Mission", International Bank For Reconstruction and Development, Washington, D. C., 1951. Information taken from this report on the development of the planned kenaf industry helps to give a true picture of the problems Point Four faces in Cuba.
Ecuador, like other Latin American countries, can point with pride to the results achieved by American aid in the past ten years. A six-fold increase in the potato crop resulted from American technical advice, which helped control a blight that had wiped out 75 per cent of the potato crops just a few years before.

Production of cacao has again been made one of Ecuador's most important exports by bringing under control the "witches broom" blight. Similar research is being carried on now by the Point Four experts in rubber, essential oils and drug plants.

Ecuadorians trained in the United States now hold high positions with the public health systems which American aid helped establish. The cases of yaws have been cut from 10,000 to 1,000 cases in two years in one area.

In the National School of Nursing where North American nurses were training local nurses the staff has been reduced from four nurse-administrators to one nurse advisor, the work is being gradually taken over by the Ecuadorian nurses trained under the American programs.
EL SALVADOR

U. S. cost, 1951-53 $1,165,000
Local contribution $1,100,000
Trainees 57
Staff, 1953 38

El Salvador has for some years been devoting all the resources she can muster to achieve a balanced development program. The United Nations and many other international and inter-American agencies are cooperating. Point Four assistance is just added to the total effort of the vast program.

With the help of ten American agriculture experts a variety of corn has been developed which yields forty-five to sixty bushel per acre against the native corn with a yield of twelve. Sorghum cane was crossed until a variety yielding three crops per year from one planting was developed. A rice variety yielding 75 per cent more per acre and sesame yielding 1,000 as against 600 pounds per acre have been found.

A mulching technique is being worked out to increase coffee production by 116 per cent. 15,000 cooperating farmers are cooperating with Point Four and Salvadorian experts on this program.

Surveys are being conducted to increase power and other industrial development works, for which Salvadorians are prepared to provide a substantial amount of the necessary capital and lean on the United States to furnish the "know-how".
GUATEMALA

U. S. cost, 1951-53 $416,000
Local contribution $500,000
Trainees 0
Staff, 1953 11

Communist and nationalist hostilities have hampered Point Four efforts in Guatemala and the country has been forced to carry on most of its improvements alone.

Wheat production has been improved through the use of better seed supplied by the United States and better farming methods introduced by Americans.

Point Four has been able to get better rubber plants into use. Agricultural extension stations started by Americans are being run by Guatemalans trained by the United States technicians.

Point Four is assisting in the development of this country's vital oils industries.

HAITI

U. S. cost, 1951-53 $1,394,000
Local contribution $900,000
Trainees 36
Staff, 1953 32

Haiti, like other Latin American Republics, had gone a long way in development prior to Point Four. Most outstanding of that country's projects has been the irrigation of 75,000 acres, a program carried out by United Nations, United States and French agencies.
Point Four is continuing programs started under the II-AA program. One American technician is developing a credit union system, something entirely new to this country. Other projects include public health programs, education, welfare and housing projects.

**HONDURAS**

| U. S. cost, 1951-53   | $1,561,000 |
| Local contribution   | $2,100,000 |
| Trainees             | 38         |
| Staff, 1953          | 35         |

Honduras is probably the least developed of all Central American Republics. However, the government sees the need and is using every available means to encourage development. Private agencies, private industry, public agencies and Point Four technicians are all working to improve living conditions, increase agriculture output and better the health and sanitation conditions of the entire country.

A United States Corporation has established a Pan-American School of Agriculture. Point Four is working with this school in training native personnel in the field of agricultural methods.

The Honduras government has set up a similar school on Olancho Valley where Point Four experts are assigned to the staff.

Public health and sanitation improvements have cut down an epidemic, purified water and introduced new medicines.
through Point Four aid.

**MEXICO**

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One might think a nation such as Mexico, with great natural resources where settlement by the white man came long before settlement in the United States and being a next door neighbor of the United States, should not be listed in the underdeveloped column. Nonetheless, that is where Mexico is listed and whole areas in that nation have had a poverty-stricken status for generations.

Mexico has been repeatedly torn from within, as have so many Latin-American Republics, by revolution, political uprisings and civil strife.

Foreign capital has been invested in industries such as oil in large sums, but for the most part it has been on an exploitation basis and the country has not benefited measurably from such ventures.

Tourist trade is an important source of income to Mexico and through this, and some vital industries there are portions of the country which can now be listed in the semi-developed column.

Other industries are being expanded through Point Four
assistance. An example of this is the fish and shrimp industry where American experts are working with the Mexicans in expanding the field for greater home use and export. 18

Multi-purpose hydroelectric development is being encouraged by American advisors.

On the public health side of the ledger malaria has been brought under control. Much has been accomplished in improving sanitation thereby, epidemics have been cut down, and personal hygiene practices have been improved.

In the field of education Mexico and the United States have long had a practice of exchanging students and this practice is still being carried on under Point Four.

Just as living next door to a DuPont will not make an American rich, so, too, being a nation bordering on the United States will not make Mexico rich or developed. But through the recognition of the social, ethical, economic and political obligations of one nation to another and the extension of technical American "know-how" through Point Four "show-how" self-help basis this neighboring country, along with the 35 other nations participating in the program, can raise the standard of living of her population to the point where she can be listed with the developed nations of the world.

When this goal is reached, Mexico can stretch a friendly hand across the border and say: "Gracias, good neighbor".

NICARAGUA

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<tr>
<td>Trainees</td>
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<td>23</td>
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<tr>
<td>Staff, 1953</td>
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Point Four is continuing the training programs in public health and sanitation originally started in Nicaragua by the Rockefeller Foundation.

Point Four has also taken over improvement of livestock, development of palm oil industry, increase in fiber and lemon grass as commercial crops, and stepping up of food output in general. These are all program which were underway when Point Four came into the country.

A new program engaged in by Point Four engineers is a survey of the potentialities of irrigation and hydroelectric power and geothermal power facilities. The need for electrical power is acute, only one per cent of the estimated hydroelectric potential is installed. Power is furnished principally by Diesel generators using imported fuel oil and by steam-driven generators fired with wood-burning boilers. 19

PANAMA

U. S. cost, 1951-53 $2,366,000
Local contribution $1,000,000
Trainees 49
Staff, 1953 45

The agricultural assistance from the United States has made Panama self-sufficient in rice.

Point Four is training local personnel to take over the field of social welfare. A training center set up for this purpose is the National University, where Dona Cecilia Remon, wife of the President, attends classes to increase her knowledge in this field in which she has shown vital interest.

Because of the backwardness of the natives it has been necessary for medical technicians from the United States to work with tribal chiefs in a medicine show fashion to accomplish the vaccination of 75,000 persons in the anti-tuberculosis program.

Local political interference often disrupts agricultural work, but the local press and public in general are so highly in favor of Point Four that cooperation is always forthcoming in putting down opposition.

PARAGUAY

U. S. cost, 1951-53 $3,098,000
Local contribution $800,000
Trainees 45
Staff, 1953 67

The most outstanding work in Paraguay has been in the field of agriculture, despite the fact that she can show only nine
graduates of an agriculture college.

Kenneth R. Iverson, President of the Institute of Inter-American Affairs, wrote of Paraguay:

In Paraguay a Point Four agricultural development program is administered jointly by the Paraguayan government and the Institute through a highly efficient cooperative bureau, or servicio generally known as STICA (Servicio Tecnico Interamericano de Cooperacion Agricola). STICA has made it possible to complete nine years of activity and start a resettlement program which will eventually embrace 100,000 farm families. The Bank of Paraguay finances resettlement, and STICA provides the demonstrations and training of men. The security lies in STICA's trained supervision and its series of agricultural projects which provide better seed, better breeding stock and instruction in modern agricultural methods. 20

Mr. Iverson's statement quoted here only covers the work in agriculture in Paraguay. Point Four is training local students in a public health and nursery school; five general clinics are in operation; a preventorium for children suffering from Hansen's disease is doing outstanding work; and a project for hospital organization is being worked out.

In the field of education Paraguay is benefiting from American training in trade schools and normal schools, as well as elementary and secondary schools. Many students have been trained in the United States and returned to help in the fight to improve the standard of living for the entire Republic of Paraguay.

20 Kenneth R. Iverson, "Point Four Progress In Latin America", Think, January 1952
PERU

U. S. cost, 1951-53
Local contribution
Trainees
Staff, 1953

$3,818,000
$2,000,000
112
85

Peru ranks third in the whole world in the number of specialists sent to the United States for training. These trained specialists return to pass on their new found wealth to the nation.

Peru is not one of the prosperous nations. Her 1949 income of seventy-seven dollars per capita was one of the lowest in the Hemisphere. Her population (upwards of eight million) has to struggle for subsistence with some of the most rugged geography in the world. The coastal plain is desert, the Andes mountains are skyscrapers, the jungle on the other side is ever ready to swallow up the works of man.

...The small (fifty-four thousand) force of miners, on the contrary, receives no recruits. It is a closed group of high altitude men. The mining force is a diminishing group. Occupational diseases and accidents are constantly taking away men who cannot be replaced. Many a miner feeling that familiar, ominous shortness of breath leaves the mines, unwilling to run further risk of the respiratory diseases--the pneumoconioses, of which silicosis is the gravest. Young men of the high altitudes are refusing to work in the mines nowadays because they have seen what silicosis has done to their fathers. 21

Because the minerals like vanadium are important to Peru and to the world Point Four has undertaken a project to study and eventually greatly decrease the incidence of this great

health problem affecting Peruvian miners.

These and other attempts at helping the natives of this rare atmosphere of 15,500 feet above sea level are being carried on by Point Four.

Malaria has been almost completely wiped out in the port of Chimbote, and other health and sanitation programs of training and operation are going forward.

A "nuclear" school system now has sixteen branches where villages have built their own schoolhouses and teachers have been provided from a central regional school.

Food production in agriculture and fish and wildlife has been greatly increased through the aid of specialists from the United States.

URUGUAY

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<tr>
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<td>Trainees</td>
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<td>Staff, 1953</td>
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Uruguay is a relatively advanced and prosperous Republic in comparison with the other South American Republics receiving Point Four aid.

Pressure from the Argentine is constantly put upon Uruguay not to maintain too friendly and cooperative relations with the United States.

The most outstanding work done in this country has been
in the joint public health service, which was established under Point Four direction.

In this farthest away nation in the hemisphere, only time will tell which will win out the propaganda from outside or the self-help aid program of the United States.

**VENEZUELA**

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Venezuela is rich in oil and has had great outside capital investments. The country has benefited from this but there are still areas where development advice and assistance are needed.

Venezuelans have been eager to get Point Four help for pioneering programs and have in most instances paid most of the expenses. The Venezuelans in training under American specialists have learned fast and have been quick to take the full responsibilities of projects started by Americans. The most recent has been in building potable water systems for the 70 per cent of the people who live in towns of 5,000 population. About 110 of these have been completed to greatly improve the health conditions of the citizens affected.
CHAPTER IV

PRIVATE CAPITAL AND OTHER INVESTMENTS IN THE UNDERDEVELOPED AREAS

One of the ultimate goals of the Point Four program is to induce private enterprise, American, native or both, to invest capital for the establishment of industries and development of natural resources of the underdeveloped countries.

As has been pointed out earlier in this paper, in many of the underdeveloped areas local conditions are such that they make the risks far too great for private capital to venture into such an investment.

If Point Four can operate in these areas in the fields of public health, sanitation, education, agriculture and housing long enough to remove the risks present today, then it can be hoped that private capital will consider investment programs.

One of the basic aims of business on the free enterprise basis is to make reasonable profits. In order to do so it is necessary to have a healthy, well-fed, well-housed, well-clothed and reasonably well-informed labor force. Conditions of widespread disease, illiteracy, poor housing and general poverty-
stricken standards are the obligations of society and not of private enterprise to correct. In the sections on ethical and social reasons why the United States should carry on the Point Four Program, covered in Chapter II of this paper, these problems were thoroughly discussed.

Provisions in both the Act for International Development and the Mutual Security Act are aimed at the encouragement of free enterprise. To carry out the responsibility the TCA allocated funds to the Department of Commerce to gather and dispatch information to potential United States investors in underdeveloped countries.

In the program which the Commerce department set up the following are included:

1) Preparation and publication of "Investment Guides" for individual underdeveloped countries. (During fiscal year 1952, work is under way on such guides for Venezuela, Colombia, Brazil, Mexico, Turkey, Union of South Africa, India, Pakistan and the Philippine Republic); 2) establishment of special "Investment Clinics" arranged through the field offices of the Department of Commerce in the U. S. with interested local business groups to acquaint private individuals with conditions in specific countries; 3) increase in the traditional work of the Department of Commerce in counseling with interested businessmen upon the specific problems of interest to them in respect to overseas investments; and 4) preparation and publication of a "Census of Direct American Investments Abroad".

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1 Point 4 Projects in Operation, July 1, 1950 through December 31, 1951, Dept. of State TCA, U. S. Govt. Print. Off., March 1952, 158
In countries where private capital is available to carry out highly technical operations but where the necessary scientific, engineering or technical skills are not available the United States has furnished these skills through the Point Four program.

The primary aim of Point Four must be clearly understood as having to do with the prevention of disease, illiteracy and dire poverty. The elimination of these problems entail the humanitarian, ethical, social, economic and political obligations which the American taxpayer, as a free, democratic and Christian member of society, has toward his fellowmen in all free nations of the world.

These obligations do not carry with them the responsibility of laying out the huge sums of capital necessary to industrialize these nations, to establish up-to-date communication systems, to build giant dams, bridges or super highways, or construct hydroelectric power plants. These humanitarian obligations require that the Indian be taught to use a metal plow instead of the wooden one his ancestor used 1,000 years ago; that the Brazilian mother be trained in the rudiments of personal hygiene; that malaria be wiped out in Bolivia; that the Afghan be taught to mine coal; that the Indonesian be taught the meaning of a free democratic government; that the Pakistanis be taught to read and write; that the Nepalese be taught the value of rotating crops; and in short that the two-thirds of the world's population
which goes to bed hungry every night be fed, clothed, educated, made well and adequately housed.

For large scale investment and industrialization of the underdeveloped areas of the world the International Bank for Reconstruction and Development has been established. The establishment of the International Bank was decided at the Bretton Woods Conference in 1944. At the invitation of the United States 44 nations met to lay plans for a new method of international financial and economic cooperation in the postwar years. Out of this conference came two complimentary institutions:

1) The International Bank, which was designed to promote the international flow of capital for productive purposes and to assist financing the rebuilding of devastated areas and the development of the resources of member nations.

2) The International Monetary Fund, which was created to assist in stabilizing international exchange, provide member nations with short-term foreign exchange assistance, and hasten removal of artificial barriers to international payments.

The International Bank for Reconstruction and Development, referred to in Washington circles as the IBR&D and in international circles as the World Bank, began operations in 1946. It

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2 See Appendix II for list of member nations in IBR&D

3 International Bank for Reconstruction and Development, P5239, Washington D. C., Revised Aug. 15, 1952
has made 70 loans, amounting to over $1,400,000,000, in 26 of its member countries and two of their overseas territories. All payments of interest and principal from borrowers have been received when due.

The IBR&D makes loans to the governments of nations and to private enterprise within the member countries. When loans are made to private enterprise the nation where the reconstruction or development work is to be carried on must be a member of the IBR&D and must go on the loan as the Guarantor. Regardless of how the money is loaned to the member the IBR&D conducts a very thorough investigation of the proposed project from every angle before the loan is granted.

The IBR&D works as a special agency under the United Nations. It has as its ultimate goal to work itself out of business, just as the Point Four program aims at this final end.

To give a detailed discussion of the IBR&D is not the purpose of this paper, and, in fact, is a subject for a wide field of research in itself. The purpose in this very cursory coverage here is to show how the IBR&D virtually takes up where Point Four leaves off in the development of the underdeveloped countries.
CHAPTER V

SUMMARY AND CONCLUSIONS

The low economic, social and political status of that two-thirds of the world's population which lives in the underdeveloped areas of the world can no longer be ignored by the democracies of the world.

In these areas, despite the existence in many instances of vast untapped resources, wide-spread disease, illiteracy, hunger and general human want and misery are common. Even where capital is available to develop natural resources the technical knowledge is lacking and the absence of a healthy, well-fed, well-clothed, and well-housed labor force makes it impossible to develop the potentialities.

If left to fend for themselves these nations will fall quick and easy prey to the false promises of Communism and the iron curtain will be drawn around more than three-quarters of the earth's surface, shutting off from freedom the majority of human life and seriously endangering the rest of the world.

With the end of isolation the world has become aware of this great threat. President Truman included in his inaugural
address in 1949 a proposal for the United States to meet the
challenge of this overwhelming problem.

The proposal happened to be the fourth point in the
foreign policy division of this address, hence the program which
followed became known as the Point Four program. There has never
been any attempt to change the nomenclature. The title is var-
iously written as "Point Four", "Point 4" or "Point IV" depending
on the particular whim of the person writing on the subject.

The purpose of this paper has been to show how the
United States Point Four program is attempting to meet and solve
the problems of this enormous humanitarian challenge.

The legislation passed to set up the Point Four program,
namely the "Act for International Development" and the "Mutual
Security Act of 1951", were discussed in the first chapter.

The ethical, social, economic and political aspects of
the program were treated at length in Chapter II. It was pointed
out that the material and social needs of these free peoples pre-
sent to America, as a free and democratic Christian nation, a
moral, social, economic and political obligation. That this was
without question the philosophy behind the enactment of the pro-
gram has been made clear by presenting the arguments of the de-
signers of legislation and the first directors of the program.

To substantiate the stand on the moral and social obli-
gations arguments from authorities in the fields of ethics and
sociology were pressed into service.
Chapter III was devoted to giving a bird's eye view of what has taken place in the 35 nations receiving Point Four aid. A dollars and cents run-down on just how the money has been spent up to December 1952, including also the amounts appropriated for 1953 up to June 30 when the fiscal year ends, was presented for each participating country.

Since one of the ultimate goals of Point Four is to encourage private capital investment in the job of developing these underdeveloped areas, Chapter IV treated this subject. Steps taken by the Mutual Security Agency were discussed. A cursory coverage of the part the International Bank for Reconstruction and Development plays in the over-all program was also included in this chapter.

Point Four operates in close coordination with the special agencies of the United Nations such as WHO (World Health Organization), FAO (Food and Agricultural Organization), ILO (International Labor Organization), UNESCO (United Nations Educational, Social, and Cultural Organization), and with such private agencies as the Ford Foundation and the Rockefeller Institute. It is beyond the confines of this paper to give any kind of treatment of these organizations and agencies since each presents a whole field of research in itself. It is important to point out that every effort is made between these groups and the Mutual Security Agency to, in so far as is possible to do so, prevent Point Four activities from over-lapping programs undertaken by
other agencies. Extreme care is exercised to keep overlapping of effort at a minimum, to keep waste at a minimum and to keep efficiency and progress in the underdeveloped areas at a maximum.

The Point Four program has been in operation for such a short time it is impossible to measure its successes and failures. It is possible to look, as was done in Chapter III, at the activities engaged in and examine the results of the few years of operation.

The Point Four program was put into operation on the same self-help basis that aid went to Latin American Republics under the Institute of Inter-American Affairs from 1942 until this agency was taken over by the Mutual Security Agency in 1951. In these nations it is possible to see and measure, at least to some extent, the progress made under the program. Chapter III includes a discussion of the nations in Latin America, some of which today are paying more toward the Point Four projects in their countries than is the United States. This gives some indication that the ultimate goal of the Point Four program can one day be achieved, namely, that the American technicians and experts on the job will work with such efficiency that they will work themselves right out of a job.

The philosophy behind the program of helping human beings in all free nations of the world to help themselves to live in cleanliness, good health, economic security, spiritual happiness and mental and physical progress is the philosophy most
in keeping with a Christian nation such as the United States.

In setting up the Point Four program and appropriating funds for its operation, the Congress of the United States, speaking for the people of the United States, goes forth to meet the ethical, social, economic and political challenges of making every effort to assist free peoples to live a life in which the dignity of man is preserved in its fullest meaning and equality for all under God.

Many of the quotations included have been lengthy. Usually the instances have involved basic philosophies of the individuals quoted. To paraphrase such statements would have meant hazarding the risk of distorting the basic philosophy and doing a grave injustice to the authority in question.
## APPENDIX I

### POINT FOUR EXPENDITURES

AND UNITED STATES STAFF

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The above figures were taken from Mr. Lissner's article. His source having been the TCA.
APPENDIX II

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

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MEMBER COUNTRIES

UNITED KINGDOM  URUGUAY  YUGOSLAVIA
UNITED STATES  VENEZUELA

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