

Overseas development : the work in hand.

Contributors

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MINISTRY OF OVERSEAS DEVELOPMENT

Overseas Development: The Work in Hand

*Presented to Parliament by the Minister of Overseas Development
by Command of Her Majesty
January 1967*

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“ OVERSEAS DEVELOPMENT—THE WORK IN HAND ”

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OVERSEAS DEVELOPMENT: THE WORK IN HAND

INTRODUCTION

1. In debates in both Houses of Parliament on the Overseas Aid Bill of 1966 there were references to the need for fuller accounts of the British aid programme and for periodic reports on it. This White Paper seeks to meet this demand. In June 1966 the Ministry published its first annual statistical report.* This series will provide an opportunity to follow and measure the British aid programme both in financial terms and in the numbers serving overseas or being trained in this country. The material in "British Aid" has never been published in such detail before and should become the standard reference book for aid figures, both for financial aid and technical assistance.

2. The 1965 White Paper, Cmnd. 2736, began with an international economic analysis contributed by the Economic Planning Staff of the Ministry which showed the scale of world development needs. This time the analysis in Chapter I concentrates on shifts in the economic situation of the developing countries between 1963 and 1965, the last full year for which international figures are available.

3. A brief account follows (Chapter II) of the main international activities in the field of development and the part Britain has been playing in them; the Government attaches great importance to the economic and development work of the United Nations and its associated agencies and will continue, within the available resources, to give them all the support that it can.

4. The rest of the White Paper (Chapter III onwards) is a detailed account of the British aid programme. The White Paper is thus in the main a record of what is being done with British aid funds and of the efforts being made to enlist the people and services needed for overseas development. Chapter III briefly describes the scale and make-up of the British programme. It is followed in Chapter IV by an account of the problems of management and the steps being taken to deal with them.

5. Aid administration is not only or even mainly a question of making gifts or loans of money. It is the provision of economic assistance in the broadest sense, including advice and training, to countries which have their own programmes for generating economic growth. Their main resources of money are now, as always, their own earnings and domestic tax receipts: but for all developing countries, relatively small amounts of aid at key points can have a significance out of proportion to the amounts involved.

6. This is particularly true of technical assistance, which cannot properly be measured in money terms, but only by reference to the experts, the advice and training provided. A fair picture of this work cannot be given by tables and

* "British Aid: Statistics of Official Economic Aid to Developing Countries", June 1966. H.M.S.O. Price 10s. 0d. net.

charts. From time to time therefore comprehensive accounts are needed of this kind of assistance. The present White Paper does this in considerable detail and illustrates the complexity and diversity of the work of the Ministry (Chapters V to XI). This part of the White Paper is mainly concerned with the measures taken, and the success achieved, in mobilising the resources of Britain to help developing countries overseas. It is followed, and complemented, by four Chapters (XII to XV) describing the application of these resources in the different regions of the world to which British aid is being provided. These chapters give an account of our main aid operations in Asia and the Pacific; the Mediterranean and Middle East; Latin America and the Caribbean; and Africa. They deal both with financial aid and technical assistance.

Help from Non-Governmental Sources

7. The skills and knowledge which the developing countries need are provided by people and organisations both inside and outside Government. As last year's White Paper said, "Know-how must be transferred from country to country, not simply from Government to Government". Acknowledgment is therefore made to the many professional, scientific, academic, commercial and industrial bodies and the men and women working in them who have so generously co-operated with and advised the Government. The Ministry attaches particular importance to co-operation with the private sector of industry, whose contributions both to training and to the supply of personnel overseas are dealt with in the appropriate chapters.

Co-operation with Voluntary Societies

8. Acknowledgment is due to the many voluntary societies. As fund raisers they have been supporting overseas humanitarian and development projects on a generous scale. As centres of recruitment they have secured the services of many thousands to work on officially sponsored educational and social projects.

9. In 1965 eight of the voluntary organisations principally concerned with aid to developing countries, after discussions with the Ministry, established the Voluntary Committee on Overseas Aid and Development; the Ministry is represented on it by an observer. A small secretariat has been set up, which the Ministry supports with a grant. The Committee's general intention is to promote co-operation between the organisations and to co-ordinate their activities; and also to help establish in Britain a greater understanding of the needs of developing countries. Voluntary organisations in Scotland have set up their own Committee, the Scottish Standing Committee for Voluntary International Aid. It also receives financial support from the Ministry.

10. Acknowledgment is due to the work of the Overseas Development Institute, which has published many useful studies on world problems, the British Aid programme and those of other countries, and has promoted conferences and seminars on development in which leading experts have joined. The Institute plays a valuable part in disseminating factual material which has formed the basis of much useful public discussion.

I—THE WORLD SETTING

11. Since August 1965 when the Ministry's Command Paper No. 2736 was published, the world picture for development has slightly improved, but this improvement and prospects for the future must be measured against the objectives of the United Nations Development Decade. The latest information suggests that the total output of developing countries increased faster in 1964 than the average growth in the previous three years, though the rate of increase apparently fell off in 1965. Statistics on production are, however, particularly weak and growth rates should be used with caution. Table 1 summarises the experience of the period 1950 to 1965. It shows that the rise in the volume of imports of developing countries reached a rate of 6 per cent. p.a. in 1960-65, but the growth of output of developing countries has continued to average about 4½ per cent. The analysis which follows in this Chapter refers to the period up to 1965. It was prepared before the end of 1966 and should be read accordingly.

TABLE 1
TRENDS IN WORLD PRODUCTION AND IMPORTS 1950-1965
ANNUAL PERCENTAGE RATES OF GROWTH (a)

	1950-55	1955-60	1960-65
<i>Real Gross Domestic Product</i>			
Developed countries	4.7	3.4	4.7
Developing countries	4.6	4.5	4.4
<i>Volume of Imports of Developed Countries</i>			
From developed countries	6.8	7.4	9.0
From developing countries	3.4	4.4	6.0
Total	5.7	6.4	8.3

(a) As classified by the United Nations (see Appendix, Note 1(a)); the data relate to market economies only.

Sources: Real Gross Domestic Product; for 1950-55, *World Economic Survey 1963, Part I* (U.N. 1964); for 1955-60 and 1960-63, *World Economic Trends, Economic Progress during initial Years of the Development Decade; Major Economic Indicators for Developing Countries* (U.N., June 1965); for 1964 and 1965 the figures are estimates obtained by aggregating data for individual countries given in the U.N. *Monthly Bulletin of Statistics*; Volume of Imports of Developed Countries: from U.N. *Monthly Bulletin of Statistics*.

12. Official aid, as measured by the statistics of the Development Assistance Committee of the O.E.C.D., net of repayments and interest, slightly declined in 1964, although private flows net of repayments, interest, profits and dividends slightly increased. But in 1965 there was a sharp rise in net official aid and private capital flows, with the consequence that as between 1963 and 1965

there was an overall increase of about £340 million in total identified net transfers from developed to developing countries. A large increase in reverse flows was more than offset by the increases in gross aid and private investment.

13. Combined with the increase in the purchasing power of their exports to developed countries, the increase in net transfers (i.e. the identified flow of aid and private investment, less the reverse flow, mainly of capital repayments and interest, from developing countries) during the period 1963–65 seems to have yielded a gain in the total capacity to import from developed countries of no less than 12 per cent. in the two years. Actual imports appear to have risen by somewhat more than this in percentage terms but less in absolute terms, and the reserves of developing countries increased.

14. These developments were associated with rather rapid growth in the economies of the developed world, and particularly in North America. Total imports of developed countries rose by just over 10 per cent. in volume in 1964, and by 8 per cent. in 1965. This growth was largely due to trade between the developed countries themselves, which has increased in volume at an average rate of about 9 per cent. a year since 1960, or nearly twice the growth rate of their total output.

15. Imports from developing countries have been rising in volume at about 6 per cent. per annum. This was a slower growth-rate than the growth-rate of world trade as a whole, but was significantly faster than in the period 1955–60. The developing countries have benefited from the more rapid growth of the developed countries in the past five years, but their own growth has failed to accelerate.

The Purchasing Power of Developing Countries' Exports 1960–65

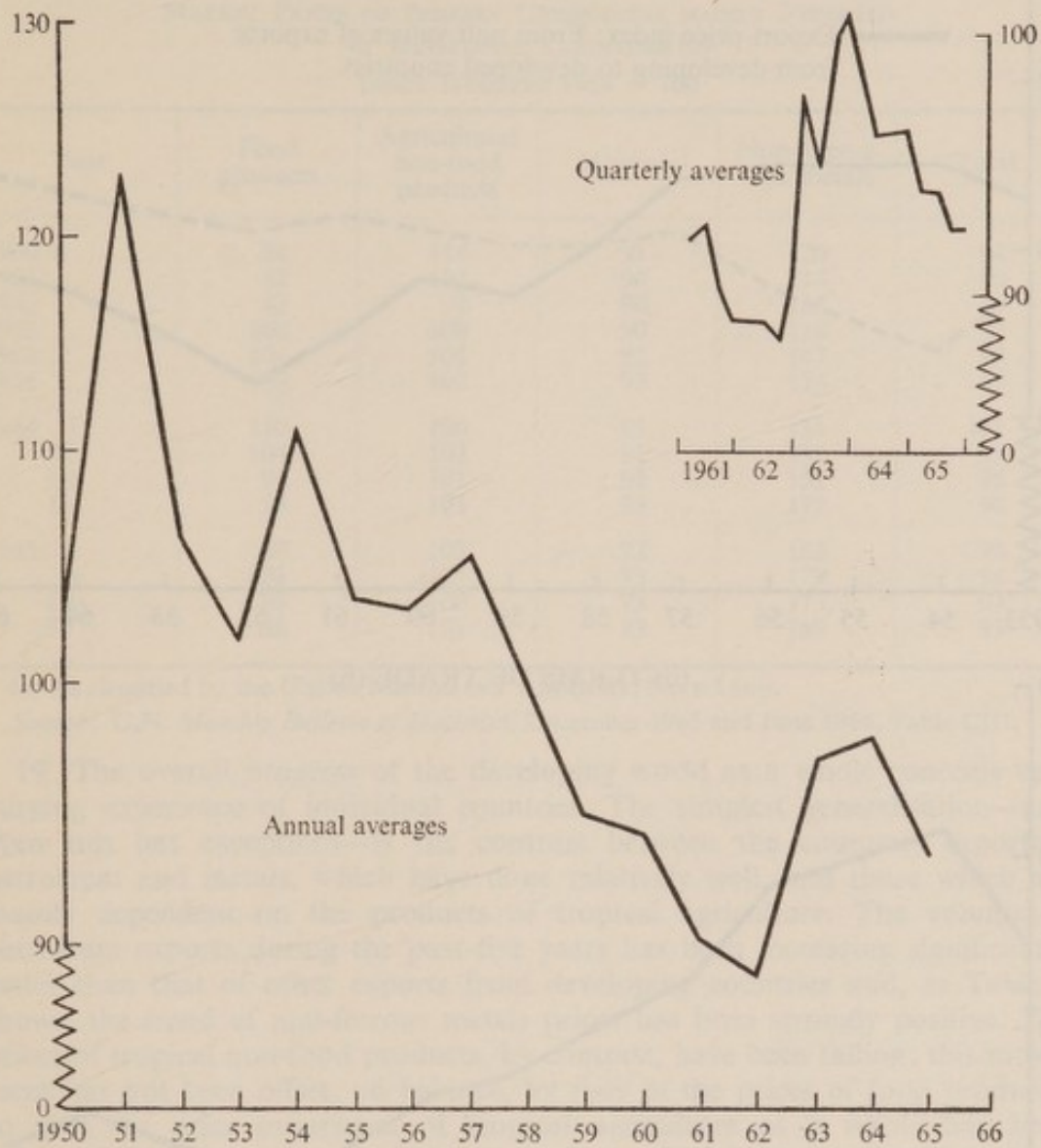
16. The general picture for prices is indicated by the total index for market quotations for primary commodities mainly exported by developing countries shown in Table 2. This made a brief recovery during 1963 and in the first six months of 1964, but thereafter fell steadily to the end of 1965, at which time it stood at one point below the level of 1960. The 1960 level was about 10 per cent. below that of 1955 or 1950 (see Chart I).

17. The terms of trade of developing countries with developed countries can be measured by special index numbers computed by the Secretariat of the United Nations from data relating to the actual trade between the two groups.* The index for the average prices of all exports from developing to developed countries rose by an annual average of $2\frac{1}{2}$ per cent. between 1962 and 1964, and, despite the fall in the index of market price quotations, actually rose another point in 1965. Before 1963, the index had been steadily declining since the mid-'fifties, and its recent gains have brought it to a level in 1965 which was no higher than that of 1960. The unit value index for exports from developed to developing countries has recently been rising at about 1 per cent. per annum—noticeably faster than in earlier years. Its average increase over the 1960–65 period has been about $\frac{1}{2}$ per cent. per annum. Consequently, the terms of trade were slightly worse for developing countries in 1965 than in 1960, but the trend implied represented, of course, a recovery from the trend prevailing up to 1962.

* The source is given in the notes to Table 4. (See Chart II.)

CHART I

PRICES OF EXPORTS OF PRIMARY COMMODITIES FROM
DEVELOPING COUNTRIES (a) 1950-65
(Index, 1958 = 100, shown on ratio scale (b))

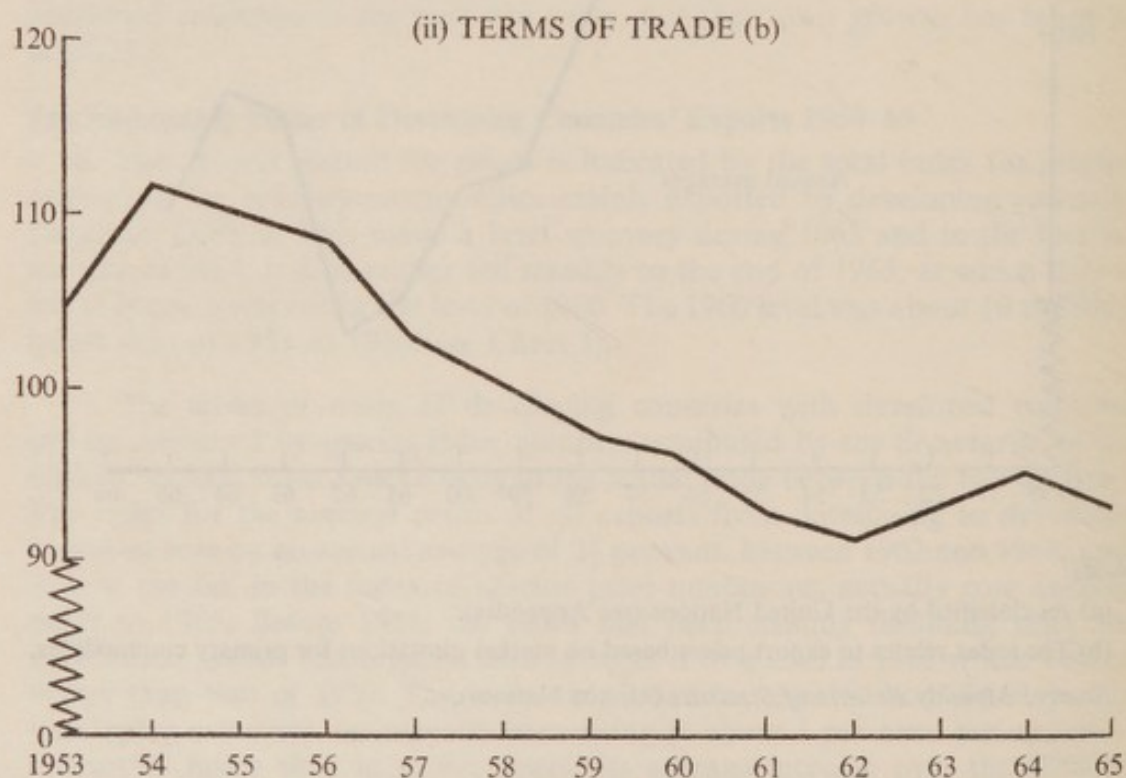
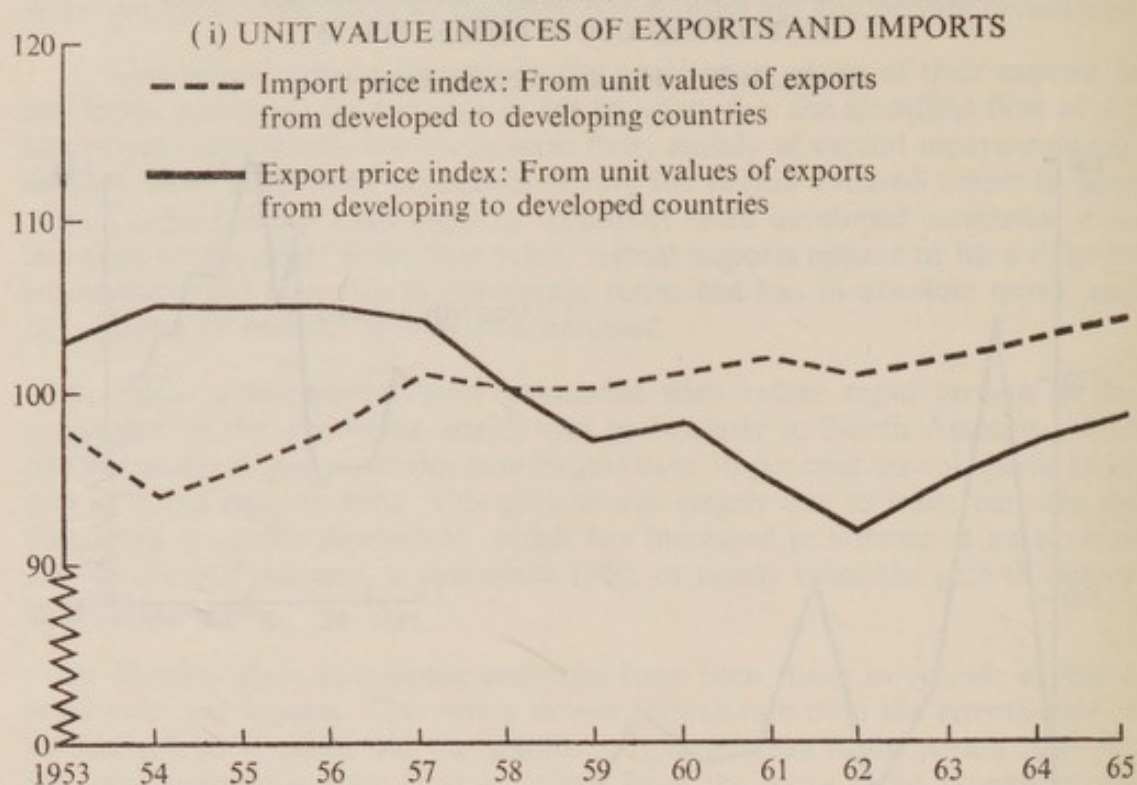


Notes:

- (a) As classified by the United Nations (see Appendix).
- (b) The index relates to export prices based on market quotations for primary commodities.

Source: *Monthly Bulletin of Statistics* (United Nations).

CHART II
TERMS OF TRADE BETWEEN DEVELOPING AND DEVELOPED COUNTRIES (a) 1953-65
(Index, 1958 = 100)



Notes:

(a) As classified by the United Nations (see Appendix).

(b) The terms of trade index represents the ratio of the unit value index of exports from developing countries to developed countries to the unit value index of exports from developed to developing countries. A fall in the index represents a deterioration from the point of view of the developing countries. Figures are rounded to the nearest whole number.

Source: Monthly Bulletin of Statistics (United Nations). Special Table C, November 1966.

18. Taking account of the behaviour of the terms of trade, the five-year average growth rate in the purchasing power of developing countries' exports to developed countries was just over 5 per cent. per annum. This was nearly three times the rate for the previous five years.

TABLE 2
MARKET PRICES OF PRIMARY COMMODITIES MAINLY EXPORTED
BY DEVELOPING COUNTRIES (a)
INDEX NUMBERS 1958 = 100

Year	Food products	Agricultural non-food products	Minerals	Non-ferrous base metals	Total
1960	84	114	91	120	94
1961	82	104	90	114	90
1962	82	99	90	115	89
1963	100	100	90	116	97
1964	101	101	92	147	98
1965	88	102	93	176	93
1964 I	110	100	91	124	101
II	104	102	91	135	99
III	96	101	92	151	96
IV	93	103	93	177	96
1965 I	89	103	92	163	94
II	88	105	93	179	94
III	88	100	93	173	93
IV	88	101	93	189	93

(a) As classified by the United Nations (see Appendix, Note 1 (a)).

Source: U.N. *Monthly Bulletin of Statistics*, December 1965 and June 1966, Table CIII.

19. The overall progress of the developing world as a whole conceals very varying experience of individual countries. The simplest generalisation—and even this has exceptions—is the contrast between the countries exporting petroleum and metals, which have done relatively well, and those which are mainly dependent on the products of tropical agriculture. The volume of petroleum exports during the past five years has been increasing significantly faster than that of other exports from developing countries and, as Table 2 shows, the trend of non-ferrous metals prices has been strongly positive. The prices of tropical non-food products, by contrast, have been falling; this movement has not been offset, on balance, by rises in the prices of food products, so that the price experience of tropical agriculture as a whole has been substantially adverse. It seems that the products which have done best have been those which have been supported by successful international commodity agreements, such as for coffee.

Changes in the Transfer of Resources and Developing Countries' Capacity to Import

20. Table 3, at the bottom, shows a net balance of identified transfers,* including aid, private investment and an estimate of the reverse flow of private interest, profits and dividends. The table also shows the important role of identified reverse flows in the general picture. They have been increasing

* This is by no means a comprehensive measure of the balance of all transfers between the two groups of countries, because many important transactions cannot be identified. Changes in the figure may, however, give a reasonable indication of the behaviour of the true balance.

TABLE 3

IDENTIFIED TRANSFERS BETWEEN DEVELOPED AND DEVELOPING
COUNTRIES (a) 1960-65

£ millions

	1960	1961	1962	1963	1964	1965
A. Flows to developing countries						
Official aid (gross)						
Bilateral	1,684	2,137	2,088	2,216	2,194	2,333
Multilateral (b)	174	195	258	343	399	469
Total	1,858	2,332	2,346	2,559	2,593	2,802
Private capital (net) (c) ...	1,135	1,153	934	922	1,207	1,438
Total of A	2,993	3,485	3,280	3,481	3,800	4,240
B. Flows from developing countries						
Repayments of official aid						
Bilateral	142	251	151	175	250	274
Multilateral	33	36	43	41	47	63
Total	175	287	194	216	297	337
Interest on official aid						
Bilateral	35	44	105	113	150	164
Multilateral	11	16	20	26	33	40
Total	46	60	125	139	183	204
Interest, profits and dividends (net) (d)	800	831	866	960	1,088	1,196
Total of B	1,021	1,178	1,185	1,315	1,568	1,737
Total identified net transfers (A - B)	1,972	2,307	2,095	2,166	2,232	2,503

(a) As defined by the O.E.C.D. (see Appendix) except for the net total of interest, profits and dividends (see note (d) below).

(b) These are gross disbursements to developing countries by multilateral agencies, not contributions to the agencies by developed countries.

(c) Net of all amortisation, but not of profits and interest. Reinvested profits are treated as an outflow. The figures relate to all transactions not resulting from aid, including investment in the public sector of recipient countries leading to public debt.

(d) Total payments less interest on official aid loans (included above) from a group of 50 developing countries that include most of the major countries. The figures are net of all income received by these countries, including interest on public debt not arising from aid transactions.

Sources: O.E.C.D. *The Flow of Financial Resources to less Developed Countries 1956-63* (1964), and later D.A.C. documents; *Balance of Payments Year Book* (International Monetary Fund).

proportionately more rapidly than gross aid, so that, whereas in 1960 they absorbed 34 per cent. of gross aid and private investment, by 1965 this had risen to 40 per cent.; significantly more than half of the increase in gross aid and private investment during the period was offset by increased reverse flows. In the case of private capital although the outflow, net of amortisation, has averaged over £1,000 million, the corresponding reverse flows of interests, profits and dividends are on such a scale that the net transfer of resources on private account, indicated in Table 3, is only about £200 million, and this figure would probably be further reduced if more transactions could be identified.

21. If the small rise in the prices of exports from developed to developing countries is allowed for, the average annual growth of identified net transfers in terms of import purchasing power 1960-65 (see Table 4), could be put at about 4.4 per cent. In 1960, total identified net transfers represented about 26 per cent. of the f.o.b. value of the developing countries' imports from developed countries, in 1965 about 27 per cent. After account is taken of the growth in the purchasing power of exports, it appears that the developing countries' overall capacity to import from other countries has been rising at about 5 per cent. per annum during the five years to 1965, or probably twice as fast as in the previous five. Much of this growth occurred in the last two years of the period; as was described in Cmnd. 2736, conditions in 1960-63 were much less favourable, especially in respect of transfers.

TABLE 4
GROWTH RATES OF IMPORT CAPACITY, ACTUAL IMPORTS AND
GROSS DOMESTIC PRODUCT OF DEVELOPING COUNTRIES (a)

	Percentage Annual Rates of Growth 1960-65
Purchasing power of exports to developed countries (b)	5.2
Import purchasing power of identified net transfers (c)	4.4
Total identified capacity to import from developed countries (d) ...	5.0
Volume of imports from developed countries	3.8
Gross domestic product	4.4

(a) As classified by the United Nations (see Appendix, Note 1(a)).

(b) Volume of exports deflated by the index of the terms of trade with developed countries given in Chart II.

(c) Value of total identified net transfers (from Table 3), deflated by index of unit value of exports from developed to developing countries.

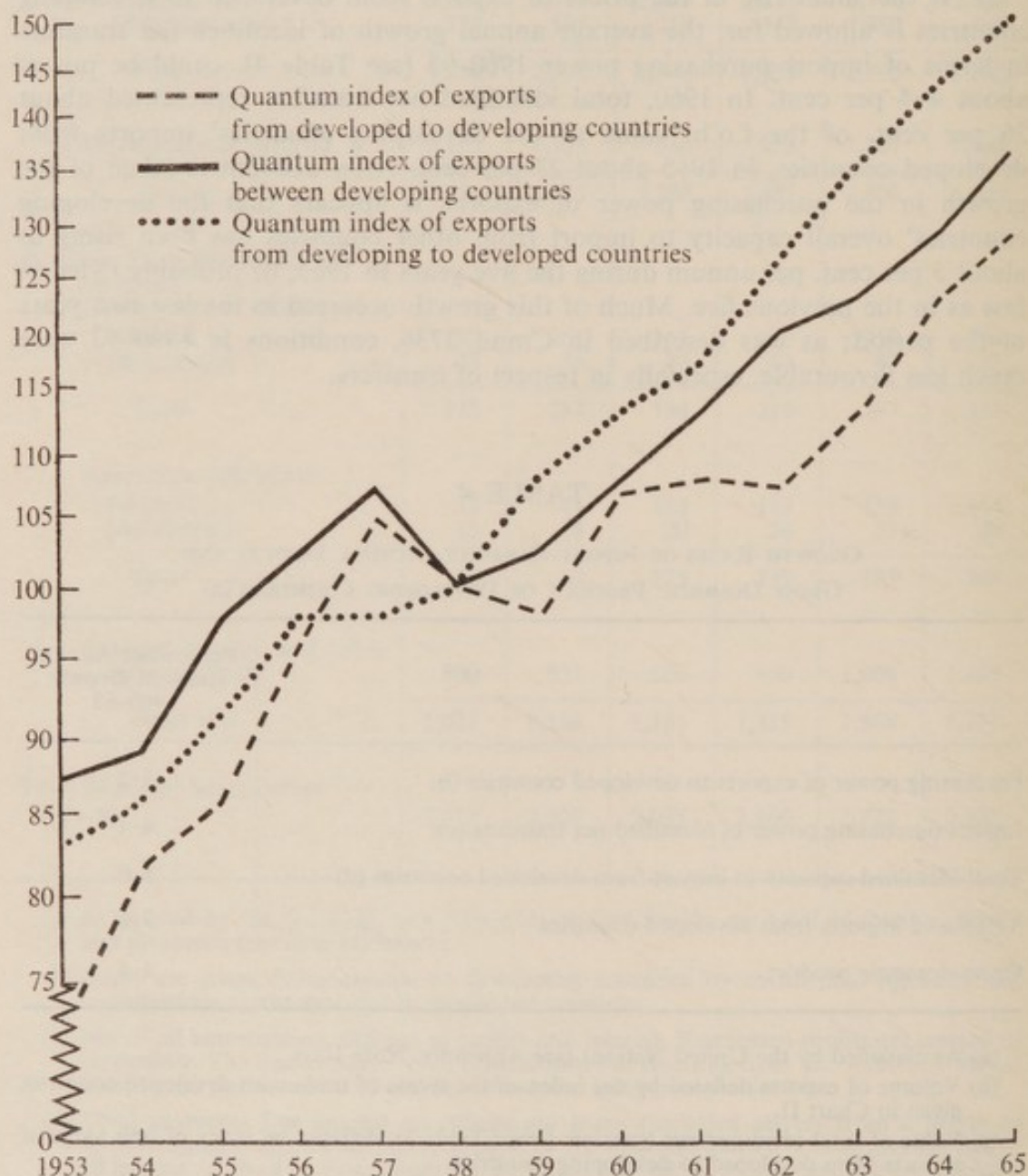
(d) Weighted average of the first two items.

Sources: For trade, *U.N. Monthly Bulletin of Statistics*, November, 1966, Special Table C; for Gross Domestic Product, as for Table 1.

22. Between 1960 and 1965 the volume of imports of developing countries from developed countries increased by nearly 4 per cent. per annum, or a little more slowly than in the previous five years and a little more slowly than developing countries' total output. For developing countries as a whole, imports have been growing significantly less rapidly than total import purchasing power, whereas in 1955-60 the relationship was the other way about.

CHART III
TRADE BETWEEN DEVELOPING AND DEVELOPED COUNTRIES (a)
1953-64

(Index, 1958 = 100, shown on ratio scale)



Note:

(a) As classified by the United Nations (see Appendix).

Source: *Monthly Bulletin of Statistics* (United Nations). Special Table C, November 1966.

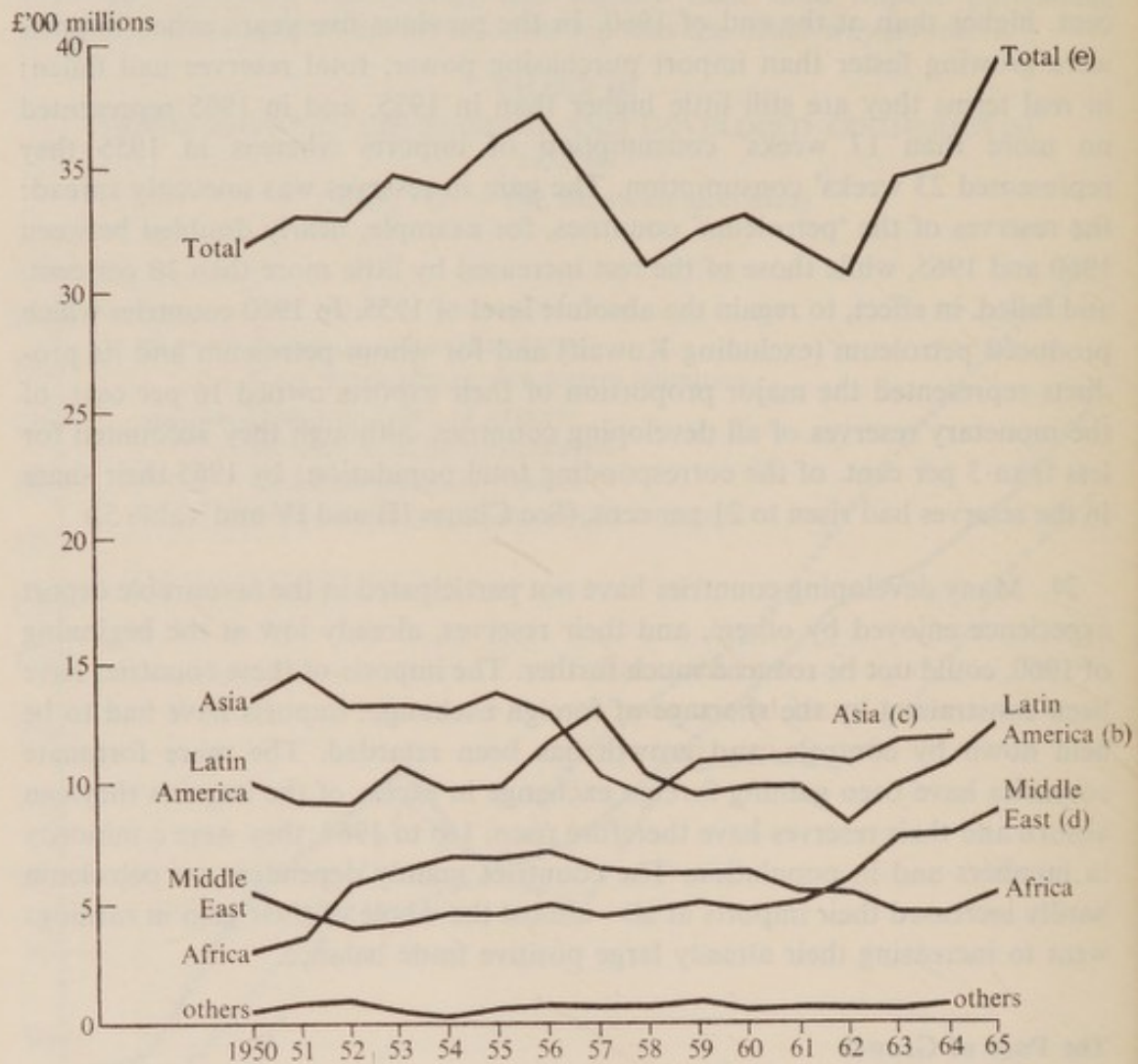
23. The relationships between the growth of imports and the apparent growth of import purchasing power are to some extent reflected in the movements of reserves. Total reserves of developing countries were 12 per cent. higher at the end of 1965 as compared with the end of 1964 and were then 20 per cent. higher than at the end of 1960. In the previous five years, when imports were growing faster than import purchasing power, total reserves had fallen: in real terms they are still little higher than in 1955, and in 1965 represented no more than 17 weeks' consumption of imports whereas in 1955 they represented 23 weeks' consumption. The gain in reserves was unevenly spread: the reserves of the 'petroleum' countries, for example, nearly doubled between 1960 and 1965, while those of the rest increased by little more than 10 per cent. and failed, in effect, to regain the absolute level of 1955. In 1960 countries which produced petroleum (excluding Kuwait) and for whom petroleum and its products represented the major proportion of their exports owned 16 per cent. of the monetary reserves of all developing countries, although they accounted for less than 3 per cent. of the corresponding total population; by 1965 their share in the reserves had risen to 21 per cent. (See Charts III and IV and Table 5.)

24. Many developing countries have not participated in the favourable export experience enjoyed by others, and their reserves, already low at the beginning of 1960, could not be reduced much further. The imports of these countries have been constrained by the shortage of foreign exchange: imports have had to be held down by controls, and growth has been retarded. The more fortunate countries have been gaining foreign exchange in excess of the imports they can absorb and their reserves have therefore risen. Up to 1964, they were a minority in numbers and in population. The countries mainly dependent on petroleum hardly increased their imports at all—almost the whole of their gain in earnings went to increasing their already large positive trade balance.

The Pace of Growth

25. Despite the growth of total output, the rapid growth of population continues to hold down the growth of *per capita* income in developing countries. A situation has been reached where total output is growing faster in the developed world, population is growing faster in the developing world, and income *per capita* in the developing world is growing at little more than half the percentage annual rate of the developed world. Although the dangers of the population explosion are increasingly appreciated and various measures, described in Chapter IX, to help restrain the birth rate are being taken at the national and international levels, an enormous task remains. This is the most urgent task in the whole field of international development. (See Table 6).

CHART IV
FOREIGN EXCHANGE RESERVES OF DEVELOPING COUNTRIES (a)



Notes:

- (a) As classified by the United Nations (see Appendix) but with certain adjustments, noted below, for continuity.
- (b) Excludes Cuba.
- (c) Excludes Indonesia.
- (d) Includes Iran, Iraq, Israel, Jordan, Lebanon, Saudi Arabia, Syria and the United Arab Republic; excludes Kuwait.
- (e) Includes unpublished Asian figures.

Source: *International Financial Statistics* (International Monetary Fund) December 1960, January 1964 and July 1966 and Supplements to 1964/65 and 1965/66 issues.

TABLE 5

FOREIGN EXCHANGE RESERVES OF DEVELOPING COUNTRIES (a)

	£ million at end of period														
	1950	1955	1960	1961	1962	1963	1964				1965				
							1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	
Latin America (b)	...	997	990	992	954	818	996	1,011	1,002	977	1,046	1,093	1,091	1,139	1,216
Asia (c)	...	1,327	1,356	1,088	1,098	1,081	1,177	1,243	1,229	1,202	1,177	1,180 (e)
Middle East (d)	...	525	486	478	495	585	748	796	785	771	768	905	903	890	881
Africa	...	291	700	666	538	536	461	448	470	446	448	446	484	493	509
Other	...	54	57	48	44	38	32	45	45	55	52	55
Total	...	3,194	3,589	3,272	3,129	3,058	3,414	3,543	3,531	3,451	3,491	3,679	3,694 (e)	3,774 (e)	3,927 (e)

(a) As classified by the United Nations (see Appendix, Note 1 (a)), but with certain adjustments, noted below, for continuity.

(b) Excludes Cuba.

(c) Excludes Indonesia.

(d) Includes Iran, Iraq, Israel, Jordan, Lebanon, Saudi Arabia, Syria and the United Arab Republic; excludes Kuwait.

(e) These totals include estimates for figures which are not available.

Source: *International Financial Statistics* (International Monetary Fund), Dec. 1960, Jan. 1964 and July 1966, and Supplements to 1964/65 and 1965/66 issues.

TABLE 6

TRENDS IN OUTPUT AND POPULATION OF THE DEVELOPED AND DEVELOPING COUNTRIES (a)

	Average Annual Rates of Growth		
	1950-55	1955-60	1960-65
<i>Real Gross Domestic Product</i>			
Developed countries	4.7	3.4	4.7
Developing Countries	4.6	4.5	4.4
<i>Population</i>			
Developed countries	1.2	1.3	1.3
Developing countries	2.1	2.3	2.5
<i>Real Domestic Product per Capita</i>			
Developed countries	3.4	2.1	3.4
Developing countries	2.5	2.1	1.9

(a) As classified by the United Nations (see Appendix, Note 1 (a)).

Sources: for 1950-55, *World Economic Survey 1963, Part I* (U.N. 1964); for 1955-60 and 1960-63, *World Economic Trends, Economic Progress during Initial Years of Development Decade, Major Economic Indicators for Developing Countries* (U.N. June 1965); plus more recent information and the Ministry's estimates from data for some developing countries.

26. Despite the apparently good record of total production since 1963, agricultural production has continued to falter. In 1964 agricultural production in developing countries as a whole is estimated to have gained only 2 per cent. and in 1965 only 1 per cent. The average growth rate from 1960 to 1965 must now be put at less than 2 per cent., compared with 3 per cent. between 1955 and 1960. Indian agricultural output, for example, grew at a little more than 1 per cent, compared with nearly 3 per cent. in the period 1955-60.

27. Industrial production may have slowed down slightly in 1965, but had in fact been growing rather steadily at between 7 and 8 per cent. per annum for the last ten years. The ratio of industrial to agricultural output is doubling every fifteen years. This is a major factor supporting the growth of total output and explains why the declining growth rate of agricultural output has not been more strongly represented in the behaviour of gross domestic product.

28. The broad aggregates conceal very varying experience of individual countries. There are countries whose export earnings have been increasing at double the average rate: there are others whose export earnings have actually been declining. Some countries have enjoyed a growth of total output of over 6 per cent. per annum; in others, income *per capita* has been almost constant. These differences reflect the differing fortunes of individual commodities on world markets and the differing domestic development performance of the various economies.

Prospects for the rest of the U.N. Development Decade

Prospects for Earnings

29. Estimates of prospects for earnings in the remainder of this decade are subject to considerable forecasting errors. Experience up to 1965 suggests that the demand for minerals—metals and petroleum products—has tended to rise with increasing developed-country incomes, while the demand for the products of tropical agriculture has grown relatively slowly; in some cases the rates of growth have been declining. Technical progress and other factors are increasing the supply of tropical products, demand is usually inelastic and prices are adversely affected. Detailed examination of individual cases, making use of previous research by the Food and Agriculture Organisation and other bodies, suggests that these tendencies are likely to continue, and consideration of the prospects of demand and supply for all the individual commodities produced by developing countries indicates that the deteriorating position of tropical agriculture seems unlikely to be offset by the successes of minerals and manufactures. Despite their more favourable overall experience in the period 1960–65, developing countries must necessarily be concerned at the prospect that in the next five years the growth in the value of their visible exports to developed countries may well decelerate.

Prospects for Transfers

30. Until 1965 donors were committing bilateral aid faster than they were spending it: during the period 1960–64 the excess of new commitments over gross disbursements averaged nearly 20 per cent. In 1965, however, commitments fell sharply to about the level of gross disbursements. There are indications that, after a further increase in 1966, gross disbursements will remain at about the new level and, with amortization payments steadying after a further increase, net disbursements are also likely to level off. The British position is explained in Chapter III. Both Britain and the United States are increasingly compelled to consider the balance-of-payments effects of aid. All donors, including Britain, are also increasingly concerned with the competition between aid and other forms of public expenditure. Although official aid represents considerably less than 1 per cent. of national income for most donors, it has become significant as a proportion of national budgets. This is a problem particularly affecting the larger donors. Some of the smaller bilateral donors have recently been increasing their aid, but there remains a real possibility that, on the basis of present policies, total bilateral aid, net of repayments and interest, will be no higher in 1970 than in 1966 and little higher than in 1965.

31. New commitments and disbursements of the multilateral agencies, by contrast, have risen rapidly; disbursements nearly trebled in the period 1960–65 and will soon account for one-fifth of all official disbursements. The commitments which the agencies have made, or are in the process of making, suggest that disbursements will rise by as much as a half in the next five years, as compared with the level of 1965. To meet these commitments, their funds will need to be replenished by official contributions on a substantial scale and they will have to increase the amounts they raise in capital markets. If they are unsuccessful, the rate of new commitments may have to be reduced and disbursements correspondingly affected.

32. Preliminary estimates suggest that in 1965 private capital flows to developing countries (including net export credits as well as direct investment and portfolio investment) increased by over £200 million net of identified repayments and probably by over £100 million net of dividends, profits and interest as well. (In the first part of the period 1960-65, the reverse flows had been growing considerably faster than the outflows.) The increase in 1965 was largely due to increased direct investment by United States firms, partly associated with special factors including payments for new petroleum leases; but there has also been an appreciable rise in United States investment in manufacturing industries in developing countries, and substantial increases in total private capital flows have occurred from Norway, Japan and the Netherlands. The Government have undertaken to watch the effect on British investment in developing countries of the measures adopted to reduce the total long-term private capital outflow, but up to the present time the figures have not declined.

33. Although it is to be hoped that the recovery of private flows from developed to developing countries, which seems to have set in after 1963, will continue, it would be unwise to rely on a major additional contribution from this source in the next few years, especially when account is taken of the trend of the reverse flow of profits and dividends.

34. Taking all the foregoing factors into account, and given the present commitment policies of the major multilateral and bilateral donors, total identified net transfers could well rise in the five years up to 1970 at a rate less than half that of the previous five years.

Prospects for Development

35. Even the recent overall rate of growth in developing countries, of 4.5 per cent. per annum, could be prejudiced if their import capacity did not rise fast enough. In some developing countries, policies aimed at substituting domestic production for imports are being successfully pursued, but in others import needs will rise faster than output, at least during the next decade.

36. Earnings and transfers, taken together, may grow considerably more slowly in money terms, as compared with the period 1960-65; and, assuming export prices from developed countries continue to rise, the deceleration would be more marked in real terms. If this happens, the strain on foreign reserves will become more general. Many developing countries, especially producers of petroleum or metal ores, will continue to receive sufficient foreign exchange in any case, but an increasing number are likely to find their growth rates constrained by shortage of it.

II—INTERNATIONAL ORGANISATIONS

37. The previous chapter shows that the standard of living in the developing countries is rising only slowly and that the disparity in income per head between the richer and the poorer nations is still growing in proportionate as well as in absolute terms. This is recognised as being one of the most pressing issues the world is facing today. It should not obscure the great progress achieved in some developing countries and in some sectors of the economies of others. Were it not for the tremendous scale of population growth much greater advances would be apparent.

38. Progress can also be reported in the international treatment of development problems. The combined gross resources of western countries transferred to developing countries (Chapter I) were at record levels in 1965, the last full year reported, although the outlook for additional commitments was less promising. Assistance channelled through the international agencies, also at a record level, was growing faster than other forms of aid. The assistance and trade needs of developing countries take up an increasing share of the energies and resources of the international agencies, the subject of this chapter.

39. A number of agencies are concerned with development questions, and also in some instances undertake the administration of development aid (which is then normally referred to as "multilateral" aid). This chapter deals with some of the important issues which have arisen in discussion in these agencies, and some of the developments in multilateral aid administration which have occurred recently. The British Government recognises the great importance which the developing countries themselves attach to these discussions and to the plans which are coming to the fore in the United Nations and the specialised agencies, as the developing countries press for a fuller part in the trading and financial arrangements of the world community as a whole. As the largest contributor to multilateral funds after the United States, and the biggest source of technical assistance personnel for the international agencies (para. 43), we seek to promote the most efficient use of the funds available and better co-ordination between our own programme and those of other nations and of the international agencies.

40. The Second U.N. Conference on Trade and Development is expected to be held in 1968. The first Conference, at Geneva in 1964, established a new forum for continuing discussion of such issues within the United Nations. Among the schemes launched at the first Conference was the Anglo/Swedish proposal for Supplementary Financial Measures which has since been developed by the staff of the International Bank. The aim of the scheme was to insure developing countries against unforeseen declines in export earnings, due to circumstances beyond their control, which would disrupt their development plans. It is now under examination in detail and from a technical point of view by a representative group of member countries. If it comes into operation it could go some way to relieving the foreign exchange problem of developing

countries. A related issue is that of international liquidity—the availability of currency and credit for dealing with short-term fluctuations in the international balance of payments without undue recourse by individual countries to restrictions on their trade, payments and economic growth. The British Government has consistently taken the view that less developed countries should share in the benefits from any reform of the international monetary system. International agreement to bring to fruition some of the plans for compensatory or supplementary finance, for international monetary reform and for the indebtedness problems of the less developed countries touched on elsewhere in this White Paper, together with schemes under discussion for insuring private investment, would be important ways of strengthening the trading and economic prospects of the developing countries. The increasing activity of international and multi-lateral agencies more directly concerned with aid and development is summarised briefly in this Chapter.

The World Bank Group of Institutions

41. The largest disbursements of multilateral financial aid are made by the International Bank for Reconstruction and Development and its affiliates the International Development Association and the International Finance Corporation. The gross annual disbursements of the three have risen from a total of rather less than \$360 million in 1960 to over \$780 million in 1965. In its last financial year of operations ending 30th June, 1966, the group entered into commitments to lend over \$1,000 million. Britain was the second largest subscriber to the capital of the International Bank and to that of the International Development Association. We subscribe at present 13 per cent. of the resources of the Association.

42. To survey the progress of development in particular countries and to seek harmonisation of the policies of both donors and recipients, the I.B.R.D. organises two types of meeting—Consortia and Consultative Groups. At the Consortia the donor countries make systematic attempts through the pledging of specific sums to meet the needs assessed by donors and recipient at the meeting; those who take part in Consultative Groups may indicate what aid they are prepared to provide but are under no specific obligation to do so. There are two I.B.R.D. Consortia, for India and Pakistan (Chapter XII). Consultative Group meetings held in 1966 included those on Nigeria, Tunisia, Thailand, Malaysia and Peru, in all of which British representatives have taken part. British observers attended the first meeting of the Consultative Group on Korea at the end of the year. There are also Groups for the Sudan and Colombia, which did not meet during the year.

The United Nations Development Programme

43. In January 1966, the Expanded Programme of Technical Assistance and the Special Fund were merged to form the United Nations Development Programme (U.N.D.P.). The British Government contributed \$11.75 million to U.N.D.P. in 1966 and pledged the same sum for 1967. Apart from financial contributions, we maintain close co-operation with the United Nations in recruitment activities and in the supply of equipment. On the 1st January, 1966, 750 British experts were serving overseas with the United Nations aid programmes; this was the largest number of experts supplied by any one country. In 1965 we found places for 978 U.N. fellows in British institutions.

United Nations Organisation for Industrial Development

44. The General Assembly of the United Nations decided in 1965 to establish the United Nations Organisation for Industrial Development (U.N.I.D.O.). This is to be an autonomous organisation within the United Nations. Its aim is to promote industrial development by research, advice and help on policies for industrialisation and on individual investment projects. Britain was a member of the committee of nations which subsequently considered the organisation and functions of the new body and made recommendations which were considered by the General Assembly in 1966. We contributed in 1966 £300,000 on a voluntary basis to meet the initial expenses of the U.N.I.D.O.

The Development Assistance Committee

45. The Development Assistance Committee (D.A.C.) of the Organisation for Economic Co-operation and Development (O.E.C.D.) is a group consisting of the principal western donor countries, including Japan, which Sweden and Australia have recently joined. The D.A.C. is not itself an aid-giving body, but discusses the many problems of aid-giving and each year member countries submit their aid programmes for examination and comparison. In 1966 the meeting at Ministerial level of the D.A.C. was held in Washington and gave particular attention to the world food problem.

U.N. Specialised Agencies

46. The Ministry of Overseas Development has responsibility within the British Government for relations with the Food and Agriculture Organisation (F.A.O.) and the United Nations Educational, Scientific and Cultural Organisation (UNESCO). Both organisations are today concerned primarily with promoting overseas development in agricultural production and food supply and in the promotion of education and the application of science.

The Food and Agriculture Organisation

47. The financial resources available to the Organisation for the two-year period 1966/67 are approximately \$140 million, of which two-thirds derive from United Nations Development Programme allocations to F.A.O. as the managing agent or are otherwise devoted to the conduct of field programmes in the developing countries. Britain is the third largest contributor to the F.A.O. regular budget of some \$50 million.

48. The then Minister had discussions with Dr. Sen, the Director-General, in London in April 1966 and, at Dr. Sen's invitation, paid an informal visit to the F.A.O. Headquarters in Rome in June during which he met the senior officials of all F.A.O.'s Departments and discussed their work with them. Britain is a member of the F.A.O. Council and of three of the Council's five standing committees, including the new Committee on Fisheries. Various important F.A.O. conferences and specialist committees have met over the past year, including the World Land Reform Conference, the World Forestry Congress, the Committee on Commodity Problems and its various Commodity Study Groups.

49. The British Government attaches particular importance to the current review being undertaken by the Director-General of the organisation and structure of F.A.O. We have indicated that, in our view, the review should be based on the following considerations. We favour a policy of planned expansion of F.A.O. activities based on clear priorities in applying the resources available. We believe that the first priority should be practical action in the field to promote growth in the rural economy of developing countries; with the emphasis on efficiency and economy of operation and co-operation with other international organisations and agencies to make the greatest possible joint impact on these problems.

50. In the world setting one important new task of F.A.O. is to produce an agreed framework of fact and projection on which countries can harmonise their policies for agricultural production and trade in agricultural commodities. Britain has supported the assumption by F.A.O. of a specific responsibility for the production of an Indicative World Plan for Agricultural Development, which will present a survey of the world food situation in relation to population and other factors of resource development, provide a framework for the planning of the agricultural sectors of national economies and bring into focus some of the major policy issues facing developing countries and donor countries together in their efforts to combat hunger and malnutrition. The British Government believes that this review should prove a very valuable aid to world development planning and has provided direct assistance by lending the services of some of its own economists for short periods.

51. The objective in fostering close relations with F.A.O. has been and will remain the maximum contribution of experience, allied with constructive criticism, which the Ministry can give. In stressing the importance of effective management in our own bilateral programmes, we must equally seek to ensure that multilateral resources are applied with economy and effect. The British F.A.O. National Committee serves to co-ordinate all interests in the work and policies of F.A.O.

The U.N. Educational, Scientific and Cultural Organisation

52. The financial resources of UNESCO for the two-year period 1965/66 amounted to just over \$100 million, of which approximately half came from the subscriptions of the 120 member states, and the other half represented payment for the work undertaken on behalf of the U.N. Development Programme. Britain's assessed contribution to UNESCO's Regular Programme was 7 per cent. or £566,000 per annum in 1965 and 1966. For the two years 1967/68 the resources available to UNESCO are likely to be just under \$120 million, of which \$61.5 million will come from the subscriptions of member states.

53. About two-thirds of UNESCO's total expenditure is now devoted to help for developing countries. This was the main reason for transferring responsibility for relations with UNESCO from the Department of Education and Science to the Ministry of Overseas Development. Britain supports and has encouraged this emphasis in UNESCO's activities on development. The Government also supports the special priority which is currently given within UNESCO's

programme to education and the natural sciences especially in relation to the needs of developing countries. Britain is represented on the Executive Board of UNESCO. British experts and expertise are at the disposal of the Organisation. The Government's intention is to contribute constructively to UNESCO's deliberations with a view to ensuring that its policies and programmes are soundly based and to harmonise British programmes with those of UNESCO in practical instances.

54. The Ministry co-operates with UNESCO in the selection of consultants in various aspects of the programme and in the recruitment of experts for field assignments (which is undertaken by the Ministry's own recruitment unit). Recent UNESCO activities in Britain, with which the Ministry has helped, have been the meeting on Human Rights at Oxford in 1965; the International Symposium on Methods of Agroclimatology at Reading University (organised in conjunction with UNESCO, F.A.O. and the World Meteorology Organisation) in 1966; the International Seminar on Teaching for World Understanding held in Cheltenham in 1966; and the Twentieth Anniversary meetings in London in October 1966. Britain has also been a firm supporter of the recently launched UNESCO experimental World Literacy Programme and was represented at Ministerial level at the World Congress on the Eradication of Illiteracy held at Teheran in September 1965.

55. All member countries of UNESCO are required to have National Commissions which can bring together leading people in the fields covered by the organisation and advise on matters relating to it. The British National Commission has been remodelled in the past year, as have been its various committees. Membership of the reconstituted National Commission, under the chairmanship of the Minister, has been reduced to 25 leading scientists, scholars and educators, with Advisory Committees dealing respectively with education, the natural sciences, the social sciences and culture. There is a Development Sub-Committee and a Public Relations Committee. This new Commission and the committees helped the British delegation to the recent General Conference of UNESCO to play a full part in the formulation of the Organisation's future programmes and policy.

Other U.N. Agencies

56. Other major international agencies concerned with development include the World Health Organisation, with which the Ministry's professional advisers are in working contact, although the Ministry of Health is the responsible Department; and the International Labour Organisation, for which the Ministry of Labour is the responsible Department in this country. The Ministry of Labour invites the working co-operation of the Ministry of Overseas Development over all technical assistance questions taken up by the I.L.O., such as technical and vocational training or planning social security schemes in developing countries. The United Nations Children's Fund, with responsibilities for child care, health, nutrition and education, received in 1966 a voluntary contribution from the British Government of £400,000. The Ministry of Overseas Development is the responsible Department.

III—THE BRITISH AID PROGRAMME

57. The British aid programme and the policies which we intend to follow in developing it were described in Chapters VI and VII of the 1965 White Paper; these chapters referred to the programme for the financial year 1964/65. The programme has increased in the financial year 1965/66 and is due to increase further in the current financial year, but owing to current economic difficulties it has been decided, as described below, that the increase cannot be maintained next year.

The Value of Aid

58. In the financial year ending on 31st March, 1966, the total of British Government economic aid (i.e. financial aid and technical assistance) was £205 million. This was some £15 million more than in the preceding financial year. The target for gross disbursements (i.e. disregarding repayments) in the current financial year is £225 million. Up to and including 1966/67, therefore, the gross programme has been rising steadily. In the current year it is about 60 per cent. higher than at the opening of the Development Decade in 1960. The net figures, after deduction of repayments of principal and payments of interest on existing loans, which in 1965 were of the order of £50 million, and will probably increase over the next three years or so, have also risen. Net outgoings on this basis were £149·4 million in 1964/65 and are expected to be just over £164 million in 1966/67.

59. The economic measures of July 1966 included programmes for the restriction of Government overseas expenditure. As part of these, disbursements under the aid programme are to be limited to £205 million in 1967/68 as compared with a target of £225 million in 1966/67. This will be achieved partly by cutting and partly by the slowing down of disbursements. The reductions will fall mainly on bilateral financial aid, which is the largest element in the aid programme. Reductions to individual items are being applied in the course of normal negotiations and consultations with the recipient countries, and this process will continue during the coming months. The Government regrets that this degree of restraint was necessary in the interests of economic recovery and to maintain the strength of the pound. Our ability to give aid depends on this. Despite this setback, the flow of resources from the United Kingdom to developing countries and the proportion of it represented by official economic aid will still compare well as proportions of national income with those of most other donor countries.

60. This White Paper is concerned primarily with aid provided by the Government; but the significant contribution made by private investment to economic development, or the transfer of resources which private investment entails, including managerial and technical skill and the training of local staff

as well as the provision of capital, cannot be overlooked. British private investment in developing countries (including oil and portfolio investment), after falling during the early sixties, rose to about £120 million (net of disinvestment) in 1965. This represents about a third of the total annual outflow of long-term investment overseas. Britain has traditionally been one of the largest overseas investors among the developed countries. Recent fiscal measures will have the effect of lessening the balance of advantage in favour of investment overseas, but the Government has made it clear that no significant adverse effect on investment in the less developed countries is either desired or expected. They have been specifically excluded from the system of voluntary restraint imposed on investment in other countries in the sterling area.

61. As has been said in Chapter I, the Government is compelled to consider the effects of aid on the balance of payments. It is estimated that any change in the size of the aid programme, which affected the different parts of it in equal proportions, would normally be reflected as to two-thirds by a change in the exports of British goods and services, while the remainder of the change would have a direct effect on our foreign exchange reserves or our overseas liabilities. In addition, however, if our export industries are under exceptional pressure, changes in the aid programme may affect the volume of exports sold on normal commercial terms. Any reduction in aid will therefore secure some improvement in our external financial position. It will also of course ease the pressure of demand on our productive capacity by the saving of resources which would otherwise have been devoted to providing goods or services to overseas countries as aid.

62. At the First United Nations Conference on Trade and Development we undertook, together with other donors, that we would endeavour to supply financial resources, public and private, to the developing countries of a minimum net amount approaching as nearly as possible to 1 per cent. of our national income. The flow of Government aid, together with that of private capital, has fulfilled this undertaking.

The Distribution of Aid

63. Of total disbursements of Government aid of £205 million in 1965/66, £186 million was *bilateral* aid flowing directly (or through the Commonwealth Development Corporation) from the British Exchequer to the receiving government or agency; and £19 million *multilateral*, representing our contributions to the funds made available for development through the international institutions working in this sphere. The corresponding figures for 1964/65 were £175 million bilateral and £6 million multilateral.

Bilateral Aid

64. Of the total of £186 million bilateral aid in 1965/66 (see tables 7 and 8 pages 30 and 31) the greater part was in the form of grants and loans to independent Commonwealth or foreign countries and the dependencies. £13 million Exchequer drawings by the Commonwealth Development Corporation are included in the total for bilateral financial aid. Technical Assistance accounted for the balance (£31 million) of bilateral aid. It takes an increasing share of the programme; this reflects the priority accorded to this form of aid.

TABLE 7

ECONOMIC AID

ECONOMIC AID (a) TO DEVELOPING COUNTRIES (b)
SUMMARY OF BRITISH GOVERNMENT DISBURSEMENTS

	Financial Years										£ million
	1957/58	1958/59	1959/60	1960/61	1961/62	1962/63	1963/64	1964/65	1965/66		
<i>Bilateral Aid</i>											
Grants for economic development (c)	46	44	47	52	62	53	47	64	62		
Loans for economic development (d)	12	38	56	70	74	68	87	83	94		
Technical assistance	4	4	7	8	20	21	24	28	31		
TOTAL	62	86	110	130	155	142	158	175	186		
<i>Contributions to Multilateral Agencies (c)</i>											
International Development Association	—	—	—	11	9	9	9	9	12		
Technical assistance	1	1	1	3	3	3	4	4	5		
U.N.R.W.A. (Palestine refugees)	2	2	2	2	2	2	1	2	2		
Congo civil assistance	—	—	—	1	—	—	—	—	—		
World food programme	—	—	—	—	—	—	1	1	1		
TOTAL	3	3	3	17	14	14	15	16	19		
TOTAL BRITISH GOVERNMENT ECONOMIC AID...	65	88	113	147	170	156	173	191	205		

Columns may not add exactly due to rounding: symbol [—] indicates nil or less than half the unit used.

(a) Includes Exchequer advances to the Commonwealth Development Corporation but not total C.D.C. overseas investment.

(b) As classified by the O.E.C.D. (see Appendix, note 1(c)).

(c) Includes contributions to the Indus Basin Development Fund which are now reported as bilateral and not multilateral as in previous White Papers.

(d) Loans are reported Gross.

TABLE 8

BRITISH GOVERNMENT BILATERAL DISBURSEMENTS OF ECONOMIC AID (a) (GROSS)

A. COMMONWEALTH
Financial Years

£000

	1957/58			1964/65			1965/66			Total		
	Grants (b)	Loans	Total	Grants	Loans	Technical Assistance	Total	Grants	Loans		Technical Assistance	
Europe and Middle East	15,168	120	15,288	13,336	2,016	656	16,009	15,333	1,501	720	17,554	
Africa:												
West Africa	5,210	193	5,403	997	6,960	1,970	9,927	1,857	12,309	2,221	16,387	
East Africa	6,394	2,595	8,989	6,451	18,131	11,734	36,316	4,031	14,932	12,812	31,775	
Central Africa	835	418	1,253	14,465	2,110	3,144	19,720	10,998	2,391	3,133	16,523	
Other countries in African area	1,660	352	2,012	8,298	1,046	757	10,101	10,467	3,059	1,146	14,672	
Africa—General	—	—	—	—	—	35	35	—	—	52	52	
Total Africa	14,099	3,558	17,657	30,211	28,246	17,641	76,098	27,354	32,691	19,363	79,408	
America (Central and Southern)	6,197	912	7,109	4,288	2,658	1,038	7,984	4,708	3,688	1,283	9,679	
Asia (c)	5,301	3,608	8,909	5,926	40,234	3,627	49,787	6,752	42,393	3,664	52,809	
Oceania	579	—	579	1,990	—	771	2,761	2,294	59	933	3,285	
Other (unallocated)	2,467	—	2,467	(CR) 34	100	2,089	2,156	249	95	2,450	2,794	
TOTAL COMMONWEALTH	43,811	8,198	52,009	55,719	73,255	25,823	154,796	56,690	80,438	28,412	165,529	
				B. FOREIGN								
Europe and Middle East	1,183	4,225	5,408	2,572	3,767	756	7,094	2,859	7,691	683	11,233	
Africa	4,571	—	4,571	3,980	1,705	279	5,964	102	2,046	504	2,652	
America	—	—	—	31	3,965	406	4,402	36	3,462	626	4,125	
Asia	—	—	—	1,233	694	743	2,670	1,794	77	784	2,655	
Other (unallocated)	59	—	59	81	—	64	145	—	—	117	117	
TOTAL FOREIGN	5,813	4,225	10,038	7,897	10,131	2,246	20,274	4,791	13,277	2,715	20,783	
TOTAL COMMONWEALTH AND FOREIGN	49,624	12,423	62,047	63,615	83,386	28,068	175,070	61,481	93,704	31,128	186,311	

(a) Includes Exchequer Advances to the C.D.C. but not total overseas investment by the Corporation.

(b) Includes the cost of technical assistance which cannot be identified by individual country or areas.

(c) Includes Indus Basin Development Fund.

65. Successive British Governments have recognised a particular responsibility for giving economic aid to the dependent territories, the remaining ones being among the world's peoples least able to support themselves. The Colonies receive nearly £33 million, mainly in grants, of the total of bilateral financial aid in 1965/66. This is not inclusive of funds channelled to them through the C.D.C. Development assistance to them is provided under the legislative authority of the Colonial Development and Welfare Acts, and many receive budgetary assistance—direct administration subsidies—where the need is established. The countries of the Independent Commonwealth, whose numbers have further increased in the past year, take by far the biggest slice—about half the total—of our bilateral financial aid. They received over £90 million in 1965/66, of which rather less than one-third was in grants. The share of foreign countries was comparatively small at £17.9 million, or about 13 per cent. (about the same as in the preceding financial year); but it is expected to rise considerably in 1966/67.

Multilateral Programmes

66. The Government is increasing the proportion of official aid provided through the United Nations and the Specialised Agencies. The increase from disbursements of £16 million (excluding the Indus Basin Project, now classified as bilateral) in 1964/65 to £19 million in 1965/66 meant that the percentage of the whole economic aid programme represented by multilateral aid increased from 8 per cent. to over 9 per cent.

Grants, Loans and Loan Terms

67. Considerably more than half the total of economic aid (bilateral *plus* multilateral, as defined above) disbursed during 1965 was in grant form; the proportion of our aid given rather than lent has slightly increased. This is partly because of the emphasis the Government has recently placed on technical assistance and on multilateral aid, both of which are in grant form. Budgetary aid to independent countries (most notably to Malawi) has also been given on a larger scale than heretofore and is grant. We have continued to be major contributors to the United Nations development bodies, the Specialised Agencies, and the I.D.A., and our support, all of which is in grant form, was about one-sixth larger in 1965 than in previous years.

68. The major decision to make development loans free of interest in appropriate cases referred to in para. 98 of the White Paper Cmnd. 2736 has resulted in Britain becoming one of the most liberal of the donor countries as regards terms of aid. Up to the end of September 1966 interest-free loans had been extended to nine countries—Afghanistan, Ceylon, India, Kenya, Malawi, Pakistan, Sierra Leone, Turkey and Uganda. The value of such loans at that time was approximately £80 million. Loans to 16 other countries were in course of negotiation. These loans have been provided without any management charge.

69. There has been no significant change in the extent to which British aid has been "tied" to the purchase of British goods and services. Of our official bilateral aid disbursed in the calendar year 1965, 43 per cent. was wholly tied and 16 per cent. partly tied. The British Government does however give a

larger proportion of aid for local costs, particularly in Africa, than do most other donors. On the other hand, significant sections of the aid programme which are not formally tied—for example technical assistance—result in expenditure in Britain.

Commonwealth Development Corporation

70. The Commonwealth Development Corporation is one of our most effective and valuable means of providing economic aid. It invests in partnership with private industry, public corporations, other governments and international organisations, thus attracting additional resources to those which it contributes itself. The fruits of its investments are seen in better living standards for the people (such as those provided by its African Housing Scheme in Zambia) or in the development of smallholder agriculture in countries as far apart as Malaysia and Dominica, where the smallholders get the benefit of central demonstration farms and processing stations. Successful productive enterprises increase the volume of exports and raise quality standards, while import saving is achieved by industrialisation on the pattern of the textile factories in Malawi and Northern Nigeria. C.D.C. itself, through its resident organisation, provides management and advisory services, while the training on the job in management and technical skills which is a feature of C.D.C. projects is a practical step towards getting the local people to undertake an increasingly responsible role in expanding their own economies.

71. The then Minister of Overseas Development announced in the House of Commons on 21st June, 1965, that to help the Corporation continue to undertake a greater variety of projects the Government had decided to waive the interest on selected projects during the period when the investment was fructifying instead of merely postponing interest as previously. Advances to the Corporation approved for interest waiver have included sums for investment in development companies in North and East Nigeria and in Kenya. These companies, which operate on the same lines as C.D.C. itself, have been established jointly by C.D.C. and the governments to promote investment in local industries.

72. This concession has been of special value to the Corporation's projects during the time of high interest rates. As agreed in 1961, a review of the Corporation's own financial arrangements is now being carried out by Departments in conjunction with the Corporation.

IV—AID MANAGEMENT

73. No function of the Ministry is more important than aid management. This comprises a large part of what the Ministry was set up to do and the effectiveness of the British aid programme will depend largely on success in carrying out this task. It entails close consultation and co-operation with the governments of the countries receiving aid, since aid is designed to help make the development programmes of these countries more effective, and aid management is designed to make aid more effective, not of course to control these programmes, which is the business of the governments concerned. This contact is maintained in the case of independent countries through British Embassies and High Commissions, whose staff are in direct contact with the Ministry. These arrangements are supplemented in the Middle East and the Caribbean by locally-stationed development divisions of the Ministry, which, as described in para. 88 below, contribute technical and advisory services of importance to the business of aid management. Co-operation with other donor nations and with the international agencies is growing and is an important part of aid management, which needs to be developed considerably further.

74. The management problem is first a matter of identifying the schemes we are prepared to support, or in other words of deciding that the resources available shall go as one form of assistance rather than another. This requires a knowledge of the country and its plans. Above all, it depends on good working relations with the country concerned, so that expert missions may be sent (as they have been to a number of countries), ideas exchanged and a thorough awareness established of both the potential and the shortcomings of the situation or project in question.

75. The next stage is the elaboration of the scheme by the Government or other authority in the country concerned, in conjunction with the Ministry, to the point of determining that the outlay in terms of financial and other resources would be a sound investment, and agreeing the financial and other requirements over the years of construction and subsequently. Firms of consultants may be called in at this stage and decisions made about related manpower and training requirements and contingent local expenditure.

76. The third stage embraces arrangements to carry out the work. Contracts may be awarded by the Government or other authority of the receiving country, by the Ministry, or by agencies such as the Crown Agents. It may be necessary to retain supervisory staff, to provide training facilities and so on. It will usually be necessary to supervise contracts, consultants again being retained for this purpose. Finally the aid provided by the Ministry has to be evaluated—is it doing good, and is it doing the intended good?—not always the same thing. Is the project having the desired impact on the economy of the country? Are there consequential adjustments to be made?

77. These are the functions of aid management apart from the broad policy planning of the totals of aid available, or which countries should be helped. They are the responsibility both of the administrative departments of the Ministry and its expert staff and of other expert advisers at home, and of the missions and individual experts overseas.

Management at Home

78. The management of the aid programme is a continuous process which involves co-operation between public and private bodies in both donor and recipient countries. It requires experience and knowledge of conditions in both countries: it must be able to interpret the needs of developing countries in terms of resources available in the donor country, and adapt the technical and other resources of the donor country to the conditions in which they are to be applied overseas. *The Overseas Aid Act of 1966* puts on a firm and continuing statutory basis the power of the Minister of Overseas Development to provide economic and technical assistance, which previously were exercised simply under the authority of Annual Appropriation Acts as sanction for expenditure from Votes. Other provisions of the Act rationalise a variety of aid-giving powers. The Act is itself a further step towards efficient management.

79. The Ministry is arranged administratively on the basis of geographical, subject and functional responsibility. The professional advisers and the Economic Planning Staff are associated with the work at all stages. The *geographical* departments have responsibility, within their own areas, for dealing with the assessment of the needs of the individual countries and controlling the detailed deployment of financial resources, professional techniques and expert manpower available in Britain to meet them. To do this, the departments are building up knowledge of the economic and social needs of the recipient countries and the political background to these needs. This knowledge is drawn from British posts abroad, from the Overseas Departments, from international organisations and from many parts of the Ministry itself.

80. The *subject* departments, covering for example Education, Natural Resources, Science and Technology or Medicine, are the channel of contact with potential sources of supply of professional and technical assistance. In Britain they maintain relations with official and non-governmental bodies, universities and professional associations with experience, expert staff or funds which can be made available for development aid. Overseas they arrange assistance to schools, universities or hospitals, research institutions or particular scientific or technical enterprises.

81. *Functional* departments arrange overseas appointments and the training in Britain of people from overseas, the co-ordination of aid and co-operation with other donors individually and internationally; and they deal with British policy on development in the United Nations, its Specialised Agencies and its Regional Commissions.

82. *The Economic Planning Staff* is responsible for providing economic and statistical services for the Ministry, and for the formulation from the economic standpoint of the Ministry's views on development questions. In the context

of aid management the role of the Planning Staff is essentially that of the evaluation of programmes and projects, to ensure not only that they are sound in themselves, but also that they make sense in terms of the whole economy of the country concerned. Members of the Planning Staff make visits to countries abroad or participate in missions to report on development prospects at the invitation of overseas governments.

83. *The Professional Advisers* on the Ministry's own staff cover construction and building, education, engineering, medicine, natural resources (agriculture, forestry, irrigation, fisheries, land tenure), marketing, co-operatives and a range of scientific disciplines. In addition there are scientific and survey units attached to the Ministry whose work is described in Chapters X and XI. Arrangements are made, through expert committees, consultative panels and otherwise, for enlisting outside professional advice in such fields as university and technical education, teacher training, medicine, population control, natural resources, co-operatives and a number of specialised scientific subjects. The professional advisers, as well as undertaking specific assignments, assist the Ministry in the evaluation of proposals for aid. They also help tap the sources of professional and technical knowledge in Britain needed for development work overseas.

84. The Management function is well exemplified by the work of the Special Projects Directorate of the Ministry. Its particular role is to arrange for the engagement of professional firms for feasibility studies and other assignments overseas and to co-ordinate British financial and technical assistance for major projects overseas.

85. In the financial year 1965/66, the Directorate entered into 36 contractual arrangements with British professional firms and other organisations, whereby they advised on the feasibility and economic viability of development projects in the fields of industry and basic utilities and assisted in operating and managing major installations provided under British financial arrangements. Financial commitments incurred under these contractual arrangements amounted to some £575,000 (£230,000 more than in the previous financial year, when 30 such contractual arrangements were made).

86. The projects so investigated are located in more than 20 countries. They include hydro-electric schemes in Malawi and the British Solomon Islands Protectorate, irrigation in Chile, the development of coal and diamond deposits in India, harbour and marine development in Aden, the Gilbert and Ellice Islands, Montserrat and Pakistan, water supplies in Jamaica and St. Kitts, cultivation of sugar beet and production of cement in Pakistan, and assistance to the State Railways of Chile and Turkey.

Management Overseas

87. Arrangements for the management of aid operations overseas follow the principle set out in the 1965 White Paper; the objective is to help developing countries in their own efforts towards economic growth. A first requirement is close and continuous co-operation with the agencies of the receiving

government in its own country. This function is exercised mainly through British diplomatic missions. Work on aid is an integral part of their duties. It comes directly under the control of the British Ambassador or High Commissioner, and is carried out by officers forming part of the diplomatic mission itself. In May 1966, the number of officers in British diplomatic missions (from Counsellor down to Third Secretary) exclusively concerned with aid was 36 and 150 other officers dealt specifically with aid as well as other matters. Most of these officers, particularly those dealing with aid part-time, are drawn from the Diplomatic Service itself. But 10 officers of the Ministry are now serving on secondment in Diplomatic Missions. Agricultural Advisers have been appointed to the Missions in Nigeria and in Kenya.

88. In addition the Ministry maintains two regional Development Divisions overseas; one of these, in the Caribbean, was established only last year (Chapter XIV); the other, in the Middle East, is long-established. Their function is to advise British posts in their respective regions and the Ministry itself, and to organise technical assistance and other expert advice to the countries of their areas. Beyond that they are not themselves aid-giving agencies; but in the Middle East the staff have over the years built up great knowledge of the area as a whole and their experience and availability have made them welcome partners in the discussion and selection of projects or activities for which British aid might be sought. We hope that the Caribbean Division will make a similar contribution, both for advising on area development and on the efficient management of the British contribution.

89. It is not of course practical to maintain at one post or even in one or other of the Overseas Development Divisions the whole range of experts and professional advisers whose services might be needed from time to time in the preparation of a programme or the elaboration or execution of a project. Accordingly the home-based professional and technical staff and advisers of the Ministry in London must travel a great deal; over 30 countries were visited by the Natural Resources advisers alone in the last financial year. The staff of the Ministry's research stations and professional people or consultants engaged for a particular project also travel frequently to keep abreast of the work on which they are advising, and the evaluation of their reports contributes to establishing a managerial oversight of the whole aid programme.

90. The experience of the Ministry over the past two years, and that of the Department of Technical Co-operation before it, has shown that aid management cannot and must not be neglected. To do so would be a false economy. The problems of aid management become more intricate as dependent territories gain their independence, as programmes are started in new foreign countries and as assistance is requested in more and more specialised fields. But adequate and effective aid management is needed even where programmes seem most straightforward. Continuous study is undertaken to make management more effective.

V—OVERSEAS SERVICE—THE PEOPLE WHO SERVE

91. The success of financial or technical assistance depends on finding the right people to help in overseas development and the training of local people to succeed them. This kind of help has been given by Britain for many years. The Colonial Service was increasingly shaped towards this purpose and provided the foundation from which the institutions of many countries have grown. But, with the attainment of independence by the greater part of the former Colonial Empire, the conditions of work and the terms which can be offered have radically changed. A career of work overseas can no longer be provided for new recruits. Nearly all those now appointed are on a contract basis, many of them for relatively short periods of two or three years in the first instance. Work on overseas development must now be regarded for most of those appointed as an interlude in a career at home, although many serve for longer periods and go back overseas and this is warmly encouraged by the Ministry.

92. The new situation called for a new approach to recruitment and this has been successfully adopted by the Ministry, and the Department of Technical Co-operation before it, as is shown by the recruitment figures in Table 9. The types of people needed by the developing countries in our own international schemes of technical assistance are described in this chapter, with an account of the new methods which the Ministry is using. Chapter VI deals with the terms and conditions under which this service is given.

93. Since 1961, when the Department of Technical Co-operation was set up, recruitment has steadily risen. It became noticeably more difficult during the course of 1965/66, especially in those professions where Britain herself was experiencing an acute shortage. In some cases this was in part a result of political insecurity and other uncertainties in some of the countries concerned. Even so, as the figures in Table 9 show, the rate of supply of skilled British manpower has been maintained and even increased; while the requests for British personnel from the developing countries themselves increase all the time (Table 10).

94. The efforts of the Ministry and the bodies associated with it can succeed only as individual men and women recognise the value and interest of overseas development work and come forward to take part in it, if only as an episode in their working lives. The success achieved in recruitment shows that this call has been responded to; men and women from this country have looked on overseas technical assistance both as a challenge to share their skills and energy with those who have asked for help and as an opportunity to acquire experience of relevance and value to their professional advancement at home. The recruitment effort will remain a joint venture of the Ministry, the bodies with which it works and the men and women who go overseas. It will be a prime function of the Ministry to pursue vigorously and with the highest priority the supply of qualified people.

Professional and Technical Staff—Supply and Demand

95. The Ministry's own recruitment efforts accounted for nearly half the 5,013 appointments made in 1965 under British official or officially assisted schemes (Table 9, column 7). These men and women went to reinforce the 18,400 already serving or to replace some of those who have left. Other agencies responsible for recruiting are the Crown Agents, the British Council, the Inter-University Council (I.U.C.), the Council for Technical Education and Training in Overseas Countries (TETOC), the societies sending volunteers overseas (a record number of about 1,350 in 1965) and the two church agencies which work with the Ministry in filling what are in effect official posts. More is said about some of these organisations later in this chapter; their recruiting effort in recent years is shown in columns 2 to 6 of the following table:

TABLE 9
RECRUITMENT

	(1) O.D.M. (a)		(2) Crown Agents	(3) British Council	(4) I.U.C.	(5) TETOC	(6) Private and Voluntary Organisa- tions	(7) Total
	Bilateral (b)	Multi- lateral						
1961	755	97	577	136	(150)	14	176	(1,905)
1962	905	137	676	250	(166)	11	322	(2,467)
1963	1,278	149	481	219	(214)	40	581	(2,962)
1964	1,784	149	745	229	(215)	27	921	(4,070)
1965	2,062	156	835	294	288	27	1,351	5,013

(a) Previous to October 1964, the Department of Technical Co-operation.

(b) The Ministry's *bilateral* figures are those for appointments made at the request of the country concerned: the *multilateral* figures are for appointments made on the Ministry's nomination by the United Nations, its specialised agencies and the World Bank.

Note: Figures in brackets are estimated.

96. A request for staff is not accepted without question. Given increasing difficulties of recruitment in Britain, is it realistic to accept the task of trying to fill the vacancy? Are the professional and personal conditions of the post such that a British recruit will be able to carry out effectively the work for which he is qualified? Will reasonably satisfactory housing be available for a married man with children, or will he have to spend a disproportionate amount of his time on arrival worrying about his family and justifiably trying to improve the living conditions for them? This critical examination of posts to be filled eliminates some of them but demand nevertheless always out-runs supply.

97. Requests from overseas governments accepted by the Ministry of Overseas Development alone (and its predecessor, the Department of Technical Co-operation) are shown in Table 10:

TABLE 10

	New Vacancies notified during the Year (O.D.M. only)	Total Vacancies on the Ministry's Books during the Year (including carry-over from previous years)
1962	894	1,932
1963	1,755	2,753
1964	2,794	4,263
1965	3,344	5,474

Note: The Total Vacancies figures take account of cancelled vacancies.

Even though recruitment by the Ministry (to fill vacancies notified by other countries) has almost trebled in the five-year period (see Table 9), the new vacancies increased nearly fourfold and the proportion by which the total vacancies exceed recruitment has increased in each of the last four successive years. During 1966, new vacancies notified under the bilateral programmes averaged nearly 300 a month: the rate of recruitment rose until it is now averaging nearly 180 a month. These figures show the need for a continued vigorous recruitment effort.

What Sort of People are wanted?

98. Men and women who can help to promote economic and social development are sought from all the main streams of professional and technical expertise. Numerically the largest requirements are for qualified people in education, agriculture, engineering and medicine. Even within the main professions, recruitment needs vary enormously. In some cases—for example, in teaching, medicine and agriculture—young men and women who themselves have only recently obtained their professional qualification are welcomed overseas for their knowledge and skill, even while the demand for more highly qualified and experienced people is being pressed. But sometimes only those with special skills or experience can meet the need. Large numbers of teachers are required, mainly for the secondary and technical schools of developing countries. Others are needed for teacher training, for higher academic teaching appointments or for education administration. A mathematics secondary school teacher for Zambia on the one hand; a lecturer in economic statistics at the University of the West Indies on the other. In medicine, the specialist as well as the general practitioner is wanted; a gynaecologist consultant to the Uganda Medical Service, a general duty Medical Officer for a Government Hospital in Swaziland. In engineering the expert adviser as well as the general executive; men for hydro-electric development in the West Cameroons, for the construction of roads in Malawi; a metallurgist for Bolivia. In agriculture, a sheep husbandry expert for Colombia, a plant breeder for research in Zambia and an agronomist for Tanzania.

99. These samples show the range of responsible and potentially satisfying jobs that have to be filled by professionally qualified people. Veterinary and

forestry officers, financial and business experts, economists, administrators and statisticians, chemists and geologists, lawyers, accountants and many others are needed. They may be wanted to help run the public administration itself, to act as expert advisers, to be members of special missions or to carry out executive functions in publicly-owned or sponsored enterprises. Finding these people is a fundamental part of the British aid programme.

Finding the Candidates

100. In 1965 the Ministry made 850 appointments in education, 200 in engineering and 184 in agriculture, forestry and veterinary work; 160 doctors and dentists were appointed, 101 administrative officers and 48 economists and statisticians. The remainder, out of the total of 2,062 appointments in the year, represent a wide range of other occupations and the total itself is over 15 per cent. above that for the previous year.

101. Advertisements in professional journals are the most fruitful means of finding qualified candidates. The Ministry has also embarked on the systematic advertising of typical vacancies in national newspapers to widen the range of applicants and to make the needs of developing countries generally known throughout Britain. So far as staffing allows, the Ministry avails itself of all other publicity opportunities: articles in professional journals; careers meetings in universities; short television features about individuals working overseas made by the B.B.C., A.T.V. and Granada T.V.; reports in local newspapers about some hundreds of people who have accepted appointments under the Ministry's auspices; and the circulation of recruitment literature. Also working contacts with professional, religious and humanitarian societies have been greatly strengthened to ensure an effective exchange of information and literature about current opportunities for service overseas for their members and to spread general knowledge about the development task.

102. The Ministry's Appointments Officers and Advisers, with the co-operation of the University Appointments Boards, visit universities at various times throughout the academic year to talk to interested students. Recently a more co-ordinated approach has been tried, often with the help of student societies formed to foster interest in overseas service. In February 1965, the Edinburgh University Settlement Scottish Centre for International service organised an international week in which a Ministry team participated, providing speakers for general and specialist meetings and interviewing students. At Cambridge, the Ministry supplied speakers for a series of meetings arranged during the Lent term by the Cambridge University Overseas Service Information Group in conjunction with Faculty Societies. At Reading University, with the co-operation of the academic staff, a Ministry team paid a one-day visit, meeting and addressing both staff and students. These successful ventures will be repeated in the future and extended where practicable to other universities. Apart from these wider approaches, the Ministry has held various "Teachers' Days", each dealing with a particular area, to which teachers who are interested in overseas service receive an open invitation, to give them as much information as possible about the opportunities and conditions in the areas covered. Two such days have been held at the Ministry and one, by courtesy of the University, in York, and have aroused widespread interest, some teachers travelling at their own expense from London to attend the York meeting.

Other Recruiting Channels

103. In the search for professional staff, the Ministry does not operate alone. Attention is called to the work of the other Agencies referred to in para. 95 above. *The Crown Agents for Oversea Governments and Administrations* filled 835 technical posts at the request of developing countries in 1965. Most of the recruitment to overseas universities is done by the *Inter-University Council for Higher Education Overseas* (para. 170) and the *British Council*, with the benefit of the advice of the *Committee for University Secondment* (para. 173). The Inter-University Council made 288 successful nominations to posts in universities and university colleges overseas in 1965. *The Council for Technical Education and Training Overseas* (TETOC) (para. 177) both recruits staff and extends the Ministry's own recruitment machinery by selecting technical teaching staff to serve under British Government aid programmes. It recruited 27 and selected a further 55 candidates in 1965. The Council maintains a register of persons interested in teaching technical subjects overseas. This is made available to other recruiting bodies such as the London agencies of various independent developing countries.

104. The British Council, among other activities*, recruited 177 teachers for posts (including 55 university and higher technical posts) in the developing countries in 1965 and also 117 of the 134 teachers who conducted one month refresher courses overseas during their summer vacations (para. 163). The two major Church recruiting agencies, the Overseas Appointments Bureau and Catholic Overseas Appointments, besides recruiting for posts notified to them direct, recruit for vacancies in schools with Church connections which certain overseas governments now ask the Ministry to fill.

105. The governments of some developing countries recruit in Britain on their own behalf. For example, between June 1964 and June 1966, the Government of Zambia recruited over 200 British nurses for a year's contract service.

The Private Sector

106. The developing countries are in great need of specialised advice and assistance in commerce and industry. The numbers of people required for this purpose are relatively small; their importance to development plans overseas can be very great. In providing these people the Ministry looks for assistance both from the private sector and from nationalised industries; and it acknowledges with gratitude the help that it has received. The loan of staff from the private sector to serve under technical assistance appointments overseas presents many practical problems; but it is hoped that private employers will do what they can to make possible the release, usually for a period only, of staff who are willing to go abroad. The advantage can be mutual. The transfer of technical and operational skills to overseas countries from private business and industry at home can often lead to commissions for capital equipment and other products of the private sector. The Ministry fosters the development of such personnel arrangements and where appropriate acts as a link between overseas governments and those in Britain who may be able to help.

* e.g. paras. 140, 161.

International Recruitment Unit

107. The number of experts and specialists from Britain employed in the United Nations Development Programme at the beginning of 1966 exceeded by 30 per cent. the number from any other country. The Ministry through its International Recruitment Unit finds people, usually highly specialised, on behalf of the United Nations and its agencies and other international organisations. It can only suggest them for appointment; their names and qualifications are then considered by the international bodies along with candidates from many other countries. Even so the number of experts (156) recruited by the Ministry for international posts in 1965 was a new record and the upward trend continued in the first six months of 1966 when 87 appointments were made. These appointments included posts in the World Bank and a significant number of places in the secretariats of international agencies, which are particularly hard for British candidates to secure because of the need for geographical balance.

Career Prospects

108. The appeal to service is addressed largely to people in early or mid-career. Measures for safeguarding home careers are of great and increasing importance, since the Ministry's ability to help meet overseas needs of skilled manpower depends on wide acceptance of the idea that professional careers in Britain can and should include a period of work in developing countries. If such people are to go overseas for a period, the inducement must be adequate and career prospects must be safeguarded as far as possible. Financial inducements are important, but they are not the whole story. The work must be professionally or technically satisfying: the living conditions must at least not be a source of worry for the man with a family. For many the only inducement needed is the opportunity to contribute personally to the development of resources to alleviate hunger and poverty: but these people too usually have a career to think about.

109. Careers are safeguarded in several ways. Most contract appointments overseas provide a substantial gratuity which acts as a resettlement grant. The *Overseas Services Resettlement Bureau* (para. 135) is now available to those who have been overseas for three years or more. Teachers who go to posts scheduled by the *National Council for the Supply of Teachers Overseas* (and all posts for which the Ministry recruits are so scheduled) can preserve their superannuation for five years, and longer by arrangement. There is an Interview Fund for teachers who are short-listed for posts at home. Some employers, including the Devon County Council and the Greater London Council, have given positive encouragement to their staff to serve for a time overseas. Civil servants can be seconded to development posts overseas on terms which safeguard their emoluments and seniority.

The Home Base

110. As public bodies and other employers come to accept this concept, it is easier for their staff to serve temporarily overseas from the security of a home base. More home bases, as a source of supply in Britain, must therefore be built up. To this end additional capacity is being created in certain home establishments under plans described in the White Paper Cmnd. 2736 (para. 122). Already over 300 extra posts in agriculture, animal health, engineering, architecture, land survey, geology and other fields have been provided for this purpose

in Government Departments and research institutions. Recruitment to these posts will take time, but as they are filled these institutions will be better placed to release more of their staff for work overseas. Without waiting for these arrangements to take their full effect, British Government Departments are already acting as a home base and, in the summer of 1966, more than 300 British civil servants were at work overseas in posts to which they were seconded under the Ministry's auspices.

The Pool of Experienced People: the Corps of Specialists

111. Many men and women with years of experience in the developing countries are still available to continue their pensionable service where this is possible or to accept further assignments overseas. The sizeable but diminishing stock of skilled and experienced men and women who have left H.M. Overseas Civil Service and other traditional forms of overseas work is a valuable source of candidates for re-employment in operational and advisory posts under British bilateral programmes or in the service of the United Nations, the Specialised Agencies and the World Bank.

112. A new departure which can both encourage such people to stay in their present posts or accept re-assignment to new duties is the Ministry's *Corps of Specialists*, announced in the 1965 White Paper Cmnd. 2736 (para. 123). Under the terms devised for the Corps, people with training and experience in professions likely to be in demand from the developing countries for at least a decade ahead can now be given an assurance of continued employment overseas on a guaranteed salary scale in a series of posts over a number of years. Superannuation under the Overseas Services Pension Fund is also available to them. Similar terms can be offered to new recruits with useful qualifications, who are reluctant to accept one relatively short assignment but would be interested in spending a rather longer period overseas. Appointments to the Corps of Specialists have already been made in the fields of administration (5), agriculture (4), architecture and town planning (4), audit (1), co-operatives (1), finance (4), and land tenure (1) and many other candidates are under offer or consideration.

Tapping New Young Manpower

113. It is no longer possible to replenish the stock of experienced people by offering young graduates probationary appointment in a career service with prospects of a lifetime of work with promotion at appropriate intervals and a pension at the end. Nevertheless the Ministry offers postgraduate studentships in subjects likely to be relevant in development work for many years ahead, particularly agriculture and veterinary science. It also prepares additional secondary school teachers to meet the very large and continuing demand from East and Central Africa, recruiting up to 100 new British graduates each year for the Certificate of Education courses at the Universities of East Africa and Zambia. Selected candidates take the Diploma, which is recognised in Britain, and then teach for two years (or more if they renew their contracts) in Uganda, Kenya, Tanzania or Zambia. Under the "Study and Serve" scheme (para. 174) announced at the third Commonwealth Conference at Ottawa in 1964, opportunities of this kind are gradually being opened up in other universities in developing countries and in faculties other than education.

The British Volunteer Programme

114. The young volunteer movement is making a significant contribution. The programme of service overseas by graduate volunteers, young people with industrial qualifications and school leavers has continued to be operated by the voluntary societies. Each society is responsible for recruiting its own volunteers, but all the societies join in membership of a committee which co-ordinates their work in sending out graduate and professionally qualified volunteers. This committee used to be known as the "Lockwood Committee"—it was so named after its first chairman, the late Sir John Lockwood—but all the members have lately agreed that it should in future be called the *British Volunteer Programme*, thus giving coherence to the whole scheme. The Council for Volunteers Overseas presided over by H.R.H. the Duke of Edinburgh acts as an advisory body for the whole field covered by the British Volunteer Programme.

115. The financial arrangements are that the Government or Organisation overseas to which the volunteer is assigned provides local costs, which consist of board and lodging or a payment in lieu besides pocket money. Of the British costs, which include fares, a grant at the end of service, outfit allowance and costs of administration, 75 per cent. is provided by the British Government. The balance of 25 per cent. is raised by the Societies, with generous help from the voluntary fund-raising organisations.

116. The growth of the scheme since 1962 has been impressive. Financial provision for the programme by the British Government has risen from £28,000 in 1962/63 to £763,000 in 1966/67. Under the 1962/63 programme 320 volunteers, of whom only 36 were graduates, worked in 52 countries. By the end of 1966, between 1,600 and 1,700 volunteers, including those with the United Nations and its Specialised Agencies, were serving in 75 countries. Two-thirds of the volunteers are in teaching posts. The rest are in a variety of occupations—agriculture, health, public works, social service and administration: volunteers are engaged, for example, in fisheries development in Peru; in a school for handicapped children in Kenya; in famine relief in Botswana; in building roads and bridges in the Congo; and in grassland development in Bolivia.

117. The programme for 1967/68 and policy for the future have recently been discussed in detail by the Voluntary Societies and the Ministry. It was generally accepted that no dramatic increase in numbers could be expected over the next year or two, but that there was scope for consolidation and improvement of the present arrangements under the following heads:

- (i) the emphasis to be placed on the need for longer service by volunteers. At interviews, would-be volunteers will be told that service for eighteen months or two years is the normal requirement. There will, however, be cases where the nature of the project or personal circumstances of the volunteer will justify a shorter term of service;
- (ii) the efforts made to attract to the programme a greater number of volunteers with industrial experience;
- (iii) the consideration that longer service will give opportunity for more training for volunteers;

- (iv) the strengthening, where possible, in the overseas administration of volunteers. This is already being undertaken to a great extent by the British Council, in co-operation with posts abroad and overseas governments.

118. The British Volunteer Programme looks for young candidates for posts which they are competent to fill and at the same time avails itself of the current interest among young British people, particularly undergraduates, in the raising of living standards in less developed parts of the world and also their natural desire for travel and adventure. The volunteers are not only meeting an immediate need for staff overseas, but are also adding to the stock of qualified people able to meet future needs and with experience of overseas conditions. Some volunteers take up salaried posts overseas after completion of their volunteer service, while others undertake a period of further training before returning to work in developing countries.

VI—OVERSEAS SERVICE: TERMS AND FORMS OF SERVICE

119. To man the posts described in the last chapter it has been necessary to adapt and transform the terms and schemes of service already established in many countries and to devise new ones to cope with entirely new conditions. Most of the new schemes involve work wholly in the service of the developing countries and their schools, universities, hospitals and other institutions, with Her Majesty's Government supplementing local salaries and allowances as necessary. Other schemes involve appointments to British-run technical assistance projects and services, with the Ministry of Overseas Development as the employer. The identity of the employer largely determines the basic pattern of the various terms of service described in this chapter.

The Overseas Service Aid Scheme

120. Nearly three-quarters of the appointments made by the Ministry and by the Crown Agents are under the Overseas Service Aid Scheme (O.S.A.S.). It was started in 1961 to assist what were then colonial governments in retaining the British staff they needed to see them through to independence and beyond. It continues to do so by meeting part of the cost of the British officers needed by developing countries until they can staff their public services with their own people. Forty-one overseas governments at present participate in this scheme. At the end of 1965 they were employing under it over 10,000 British administrative, professional and technical personnel. Numbers will have increased during 1966, mainly through an extension of certain features of the scheme on contract terms to some hundreds of British officers in Zambia and Malawi who were not previously eligible for it. The annual cost of the scheme to the British Government averages approximately £1,000 for each man—a very modest cost for the service provided.

121. The great advantage of the scheme to overseas governments is that, subject to the settlement of annual estimates of its total cost, it has so far been possible to maintain it as a general commitment by the British Government to attempt to provide under it all the British officers required for these public services. The governments within the scheme do not, therefore, need to obtain the financial agreement of the British Government to each request that they make for a particular British appointment. The size and cost of the scheme are limited by the desire of every overseas government to staff its public services with its own people as quickly as possible; it will not ask for outside help for longer than is necessary.

122. One administrative problem is to keep the terms offered effective. Since O.S.A.S. people must exercise full executive responsibility and authority within the local public service, their terms of service are based on local salary scales and relativities. The O.S.A.S. addition to these local salaries is normally expressed as a percentage of local salary for each post, and must be agreed with the overseas governments. If there is a rise in the salaries offered in comparable

posts in Britain, an increase in the O.S.A.S. addition may be needed if people are to be retained in post and new appointments made. But such increases may widen the gap between the expatriate and his local colleagues. This may be unacceptable to the government concerned, or accepted only after prolonged negotiations, even though the extra expense falls entirely on Britain.

123. Given such problems and the need to negotiate with over 40 governments and with the local staff associations, the maintenance of O.S.A.S. is a daunting task. But the remarkable steadiness in the numbers appointed under the scheme and the major part it plays in the whole technical assistance effort justify the considerable administrative resources which have to be devoted to servicing it. The temporary nature of the arrangement means that most people now accept appointments only for a single tour of two or three years, so that the number of those with long experience is rapidly declining. The aim is to encourage people to accept a series of contracts so as to accumulate experience of overseas work. The Overseas Service Pension Fund described in para. 134 will help here.

Nigeria and Sierra Leone: Supplementary Pay Schemes

124. The British Government has made arrangements with the Governments of Nigeria and Sierra Leone for the supplementation of the salaries of British people employed in the service of those Governments. Under these arrangements payments to about 860 officers in Nigeria are costing the British Government £390,000 per annum. The scheme for Sierra Leone is not yet fully operating, but it is expected that payments to 100 officers will cost about £45,000 per annum.

Supplementary Aid for Commonwealth Education

125. It has been estimated that there are about 5,000 British teachers in developing countries overseas. Of these about 2,670 are publicly financed, and include those in University teaching posts. The bulk of the assistance for these publicly financed teachers is given under O.S.A.S. (para. 120 above). Some 150 non-university teachers in 22 countries are assisted from Commonwealth Education Co-operation funds, supplied under the Commonwealth Teachers' Act 1960, at an annual cost of £160,000. In addition, and also financed from this source of funds, a special "Teachers for Nigeria" scheme was introduced at the beginning of 1965. Under this scheme the Ministry supplements the salaries of graduate and technical British teachers in Nigerian schools and training colleges, including new recruits up to a maximum of 75 a year. About 340 British teachers in Nigeria have their local salaries supplemented in this way at a cost of £176,000 a year.

126. The growth of new universities in developing countries (Chapter VIII) has increased the demand for British staff, but the steady improvement in the salaries of academic staff at home has resulted in overseas salaries based on the terms of service of local staff falling seriously behind those in Britain. This makes recruitment difficult. In 1962 the British Government offered to supplement the salaries of British staff appointed to important posts in overseas universities. About 50 appointments a year have since been made under this system, financed from Commonwealth Education funds.

127. Informal links between universities in this country and those overseas and short teaching visits abroad have also been financed in this way. By 1964

it was clear that more help was necessary. In September of that year the British Government announced more general measures of assistance at the Ottawa Conference. Assistance for teacher training overseas was also promised. This led to a scheme financed from Commonwealth Education funds for the exchange of staff between colleges of education in Britain and overseas and short secondments overseas of British staff from these colleges. This scheme enables senior members of British institutes and colleges of education whose experience and specialist knowledge are eagerly sought to undertake short but valuable assignments in developing countries. More is said of these arrangements in Chapter VIII—and arrangements for exchanges between medical schools are dealt with in Chapter IX.

The British Expatriates' Supplementation Scheme

128. To meet its undertakings at the Ottawa Conference of 1964 and to help support British staff in institutions other than government public services the Government obtained authority under the *Overseas Development and Service Act 1965* to contribute to the cost of the employment of British people in any form of public or social service in another country. Under the Act schemes are being drawn up in agreement with a number of overseas universities, going further than the arrangement described in para. 126 and designed to make it possible to raise the salaries of British staff employed in these universities. A scheme is already in force in respect of the British staff in the Nigerian universities.

129. But the Act is not being used for supplementing teaching salaries only. Agreements are being negotiated with a variety of semi-public institutions overseas, for example public boards, corporations and local government authorities respecting their employment of British staff. In due course help will be provided under what is called the *British Expatriates' Supplementation Scheme* (to distinguish it from O.S.A.S. which deals with government public services only) towards about 1,000 British people in academic and teaching posts and 700 to 800 in other institutions providing public or social services.

Technical Assistance Appointments under Regional Programmes

130. The arrangements so far described relate to the supplementation of salaries and other support for the terms of employment of staff in the service of overseas governments and institutions. There are other needs which are best met by the loan of people in the direct employment of the British Government. In the main these are specialist advisers, required to tackle a specific problem over a limited period or to carry out other tasks for which the local authorities would not normally create posts in their own public services. In a number of cases in foreign countries a need can be met in this way, which would normally be met under the Overseas Service Aid Scheme or Commonwealth Education arrangements in the Commonwealth countries where these schemes of service operate. Where the post so filled is a regular executive post the overseas government is expected to contribute the normal salary appropriate in its own service.

131. For convenience of identification such staff are referred to as *Technical Assistance Officers*, although all British staff overseas under any of the schemes

described are of course engaged in technical assistance. The cost of their employment to the British Government is inevitably much greater per head than under a supplementation scheme and is met out of the funds allocated by regions for technical assistance to the developing countries.

132. There are over 600 of these technical assistance officers under the regional programmes working in over 70 countries; over 160 of these are in the Colombo Plan area from Afghanistan to the Philippines, 290 are in Africa, about 80 in Latin America and the Caribbean and 70 in the Middle East. These programmes enable developing countries to draw on a wide range of highly specialised professional and technical knowledge and experience in Britain. The 600 or so men and women at present serving cover a wide variety of professional skills—advanced engineering, management training, biogenetics, law revision, shipbuilding, telecommunications, work study, fisheries development, to name only some of them. Sometimes a single expert can be instrumental in securing an economic break-through, for example, by transforming the prospects for a key crop or for the marketability of an important national product.

Pensions

133. In view of the close involvement of the Ministry with the terms of service of British officers overseas, it also deals with certain overseas pensions matters for which Her Majesty's Government have a responsibility. This responsibility includes the award and in some cases the payment of pensions; and also the payment of supplements under the Pensions (Increase) Acts to some 22,000 civil and military pensioners of overseas governments and administrations which were once part of the British Empire.

134. The *Overseas Service Pension Scheme* and its Fund (referred to in para. 124 of Cmd. 2736) were authorised by the Overseas Aid Act 1966. Statutory regulations are effective from January 1967. The Scheme, which is on a voluntary contributory basis, will provide pension benefits for the contributors and their dependants. It is open to people not previously eligible for superannuation. Those who are serving in some of the schemes described above, such as the Corps of Specialists, Technical Assistance Officers and staff employed on contract by the developing countries, can now participate. It is hoped that the availability of the scheme will be an additional incentive to this form of service.

Overseas Services Resettlement Bureau

135. The Ministry maintains a watching brief over the affairs of individual officers under whatever form of service overseas. When they return most of them are entitled to the assistance of the Overseas Services Resettlement Bureau, now operated by the Ministry but set up in 1957 to help officers whose careers had been affected by constitutional changes in colonial territories.

136. More than 7,000 men have registered with the Bureau since its establishment; at least 6,200 have found new jobs, about a third of them in commerce and industry. The Bureau began with 192 ex-colonial servants on the books.

This figure rose to a peak of 1,235 at the end of 1962; by the end of 1965 it had declined to 480.

137. By 1966 most of the career officers from the larger countries such as Ghana, Kenya, Malaya, Nigeria, Tanzania and Uganda had found fresh employment. The services of the Bureau have been extended to cover most people appointed overseas through the Ministry and the Crown Agents, provided they have served for a certain minimum period. For ex-Overseas Service Aid Scheme officers (i.e. those in the service of an overseas government) the minimum qualifying period is two tours of duty; and for ex-technical assistance officers (i.e. those under contract to the Ministry) it is three years. The extension also covers people serving in non-governmental public employment, such as local government, statutory corporations and universities, whose emoluments are met in part by the British Government; and others in approved public employment whose careers have been affected by constitutional changes.

138. The knowledge that the services of the Bureau will be available to them on return to this country should help recruitment and encourage people to renew their contracts for two or more tours. The Bureau's object is to help place them to the best advantage either in Britain or in further contract employment overseas. Many hundreds of able and qualified men and women have become available to fill useful jobs at home. Besides administrators and executives at all levels, the Bureau's clients include professional men and technicians of almost every kind. Life abroad has taught them to be adaptable, and it is encouraging that firms and organisations who have taken on ex-members of Her Majesty's Overseas Civil Service come back and ask for more. To help with resettlement in commerce and industry the Ashridge Management College has most generously offered clients of the Bureau two free places on each of the seven business management courses the college holds each year; and the Urwick Management Centre very kindly offered the Bureau ten scholarships over the period 1963 to 1966. All men who have taken these courses have found satisfactory jobs. Some find more difficulty than others in adapting themselves to conditions in this country, and the officers of the Bureau make a special effort to help them.

139. During 1965, 856 men registered with the Bureau and 1,080 people so registered found jobs, the Bureau being directly responsible for finding the employment for more than a third of them.

VII—STUDY AND TRAINING IN BRITAIN

140. The number of students and trainees brought to Britain under the Ministry's programmes rose, from over 2,700 in the calendar year 1964 to over 3,000 in 1965. Of these, 155 were Commonwealth Scholars and 450 Teacher Training Bursars financed under the *Commonwealth Education Co-operation Plan*; the remainder were financed under *Regional Technical Assistance Programmes*, 1,037 coming from Commonwealth African countries and 649 from Colombo Plan countries. Since the inception of the latter in 1951, over 7,000 Colombo trainees have come to this country. Training covers, for example, public administration, development planning, health and social services, education, agriculture, works and communications, mining, manufacturing and commerce. The administration of these trainees is a major commitment of the Ministry, which has very close relations with the British Council (para. 161) in arranging the training required and in looking after the trainees while in this country.

141. Although most of those coming from developing countries to Britain for training are placed on courses which form part of the curricula of educational institutions here, or on staff training courses run by Government Departments and other authorities, the Ministry continues to support a large number of courses specially designed for officials of overseas governments and others at British Universities and other institutions. In co-operation with Queen Elizabeth House at Oxford a course was organised during Trinity Term, 1966, for a group of future members of the Foreign Service of Botswana; this was followed in some cases by attachments to Her Majesty's Missions overseas. A special five-month course in Aspects of Government was organised for a group of Swazi leaders at the University of Sussex, with periods of practical observation arranged by the British Council in Wales and Northern Ireland.

142. The Ministry set up its own training centre at St. Stephen's House, Westminster, in December 1965, for specialised courses which need to draw expert lecturers from British Government Departments and other institutions in London. The Ministry continues to receive the valuable support of local authorities in all parts of Great Britain and Northern Ireland, which receive many trainees each year and provide an insight into the administration of British local government.

Special Courses in Accountancy and Audit

143. The first of the Ministry's special courses at St. Stephen's House, begun in January 1966, was a five-month training course in Public Accounts and Audit specially designed for middle-grade accounting officers in the public sector. The type of training required is not provided by existing courses at academic institutions either in Britain or abroad and it would be difficult for the smaller countries to mount specialised courses of this nature or to provide a

substantial number of people at any one time to attend such a course in their own country. This course is being followed by a shorter course organised by the British Council running from September to December for senior staff concerned with the formation and control of policy. The high demand for these courses, some 60 candidates having been nominated for the 17 places on the first course, shows that there is a need for this type of assistance to be continued and the Ministry plans to meet it.

Courses for Establishment Officers

144. Another special course organised by the Ministry was a short course for Establishment Officers from Commonwealth countries. This was arranged in co-operation with H.M. Treasury, the Royal Institute of Public Administration and the Staff Side of the National Whitley Council. All aspects of government establishments work, including staff relations, were covered. The course was attended by 17 officers from Commonwealth countries and two from the Sudan sponsored by the United Nations.

Management Education and Training

145. The Ministry continues to provide help with management education and training. Some 60 experts are now serving overseas on specialised assignments and nearly 100 management trainees a year are brought to Britain under the Regional Programmes of Technical Assistance. Gifts of books on management have been made or are being made to nearly 50 overseas institutions and associations concerned with management education and training. Assistance is being given in the form of advice or personnel to the Institutes of Management in several developing countries. The Ministry is helped in this work by the British Institute of Management's Secretariat for Overseas Countries, a body grant-aided by the Ministry which provides a link with the main sources of management expertise in Britain.

146. Recent projects have included the assignment of a management development specialist to work for five months with the All-Indian Management Association, conducting training in the introduction of a management development programme in a number of prominent industrial companies in India. The same expert returned to India for a further eight months' work with the Association in November of last year. In Nigeria a British team of lecturers is to assist with a top-level management course at the University of Ibadan. The British team will be headed by two Professors from the new Manchester Business School.

Industrial Training

147. A sample survey carried out by the Statistics Division of the Ministry in conjunction with the Ministry of Labour in 1965 (the analysis of which became available in 1966) produced for the first time reliable information about the contribution which British industry is making to the training of technicians, technologists, managers and others employed in industry in the developing world. The survey, which covered 7,000 establishments in the manufacturing industries together with a sample of the private construction sector and nationalised industry, showed that on a given day in May 1965, 4,216 trainees

from abroad, of whom 64 per cent. came from developing countries, were being given training in a large number of these firms. Most were on courses lasting from two to six months (33 per cent. of all trainees) and the next largest group was receiving training lasting from 13 to 24 months (21 per cent. of all trainees). Estimates based on the results of this sample suggest that about 10,000 trainees from overseas would have been under training in British industry during 1965.

148. About 30 per cent. of the trainees from developing countries were received at the request of an overseas associate or subsidiary of the firm providing the training. About 25 per cent. came on their own personal initiative and 18 per cent. at the request of governments or agencies of developing countries. Only three per cent. of all trainees were received at the request of British Government agencies.

149. The Ministry is anxious to ensure that this major contribution by British industry receives recognition. There is also a clear need for government action to relate opportunities for training in British industry, which are being extended and improved as a consequence of the Industrial Training Act, 1964, to the most urgent needs of overseas governments in their programmes of industrial development. It is important that overseas countries which wish for this should be helped to enable their engineers and managers to acquire British qualifications and to gain experience on British equipment and in British industrial practice. It is now proposed that, on behalf of the Ministry of Overseas Development, the Ministry of Labour should seek, through its local offices, training opportunities for overseas candidates, carefully selected on the nomination of their governments, to the eventual number of 400 to 500 a year, on certain defined conditions. These proposals which were accepted in principle in 1965 by the Industrial Training Boards consulted have been further considered and accepted by all the Boards and the T.U.C., but a number of details have yet to be agreed with the industries concerned.

Briefing of British Staff about to Serve Overseas

150. An increasing number of those who take up appointments overseas for the first time, whether on British schemes or in the employment of overseas authorities, are given briefing on the background to life and work in the country to which they are going. In 1966/67 about 575 people (including wives) recruited by the Ministry and the Crown Agents for service overseas will attend courses organised at the Overseas Service College at Farnham Castle in Surrey. A number of the courses are held specially for teachers and cover some of the problems of teaching in a different educational environment.

151. A further 60 or more British graduates are attending similar short courses before going to take courses for the Diploma in Education at the University College, Makerere or the University of Zambia, after which the student teachers undertake to serve for a tour in a country of East or Central Africa. A short course was held during last summer at Carberry Tower, near Edinburgh, to cater for appointees living in Scotland who might not have been able to spend a full week at Farnham Castle. The Women's Corona Society holds one-day briefing courses in London for wives or women officers who are about to go overseas.

The Institute of Development Studies

152. The proposal to establish an Institute of Development Studies at the University of Sussex and the reasons for this were set out in the 1965 White Paper Cmnd. 2736 (paras. 143 to 147). A Formation Committee was appointed in September 1965 to advise the Minister on the financial and personnel needs of the Institute and to recommend what steps should be taken to establish it. An Acting Director (Mr. Richard Symonds) and an Administrative Secretary took up office in January 1966. The Institute was incorporated on 20th April, 1966, and the Governing Body, under the Chairmanship of Lord Fulton, and with a distinguished membership from this country and abroad, met the following day. Since then, other staff appointments have been made. Mr. Paul Streeten, has succeeded Mr. Symonds (who continues as a Fellow of the Institute) as Acting Director, and Mr. Dudley Seers has been appointed Director-designate to take up office in 1967. Plans for the Institute's own building, to be completed by October 1968 (when the accommodation at present rented from the University of Sussex must revert to it) are well advanced.

153. As was made clear in the 1965 White Paper, the establishment, with the co-operation of the University of Sussex, of a new autonomous institution does not supplant the work going on in a great many other universities and research institutes in Britain. The members of the Academic Advisory Committee, which has been set up to advise the Acting Director on staff needs and on teaching and research policy, are drawn from a number of institutions already doing indispensable work in this field. The Institute will be unique in bringing the research and teaching done in a number of related subjects into an inter-disciplinary approach to development issues as a school of study on its own. Appointments recommended by the Academic Advisory Committee illustrate the range of disciplines likely to be involved—Economics, Political Science, Administration, Sociology, Agricultural Development, Educational Planning and Manpower, Demography and Statistics.

154. Seminars at Sussex will be open to officials and other nominees from developing countries; from British Government departments; from other donor countries; from international organisations and from business firms with overseas interests. The Institute particularly hopes to attract those who already have considerable experience of development problems. Arrangements will be made under which some people with such experience and also graduate students will be able to follow individual programmes of study, if possible in association with the Institute's own research projects.

155. The present intention is that seminars will be short and intensive and will range over all aspects of economics, other social studies, and administration in the field of overseas development. The first seminar on "Aid and Trade" will start in February 1967 and will be followed by a three-month seminar on "Development in the Rural Sector", which will be directed by Mr. Leonard Joy, who has recently joined the Institute's staff. A third seminar, on population policy, will be mounted in the summer. These should not necessarily be considered prototypes of future courses, either in subject or in length; the teaching programme will be planned to meet demands at home and from overseas, as they emerge.

156. The first two Research Fellows have been appointed and appointments of research assistants are being made; research programmes are being started, as the staff of the Institute arrive to take up their posts.

157. In both teaching and research the Institute will collaborate with experts from abroad, as well as with those from the institutions in Britain concerned with various aspects of development studies. In September 1966 the Institute assembled many distinguished persons from Britain and overseas for discussions designed to assist those planning the Institute's programme of work. A one-day conference was held in November, to which a number of scientists were invited, to discuss the relationship of the work of the Institute to the application of science in developing countries.

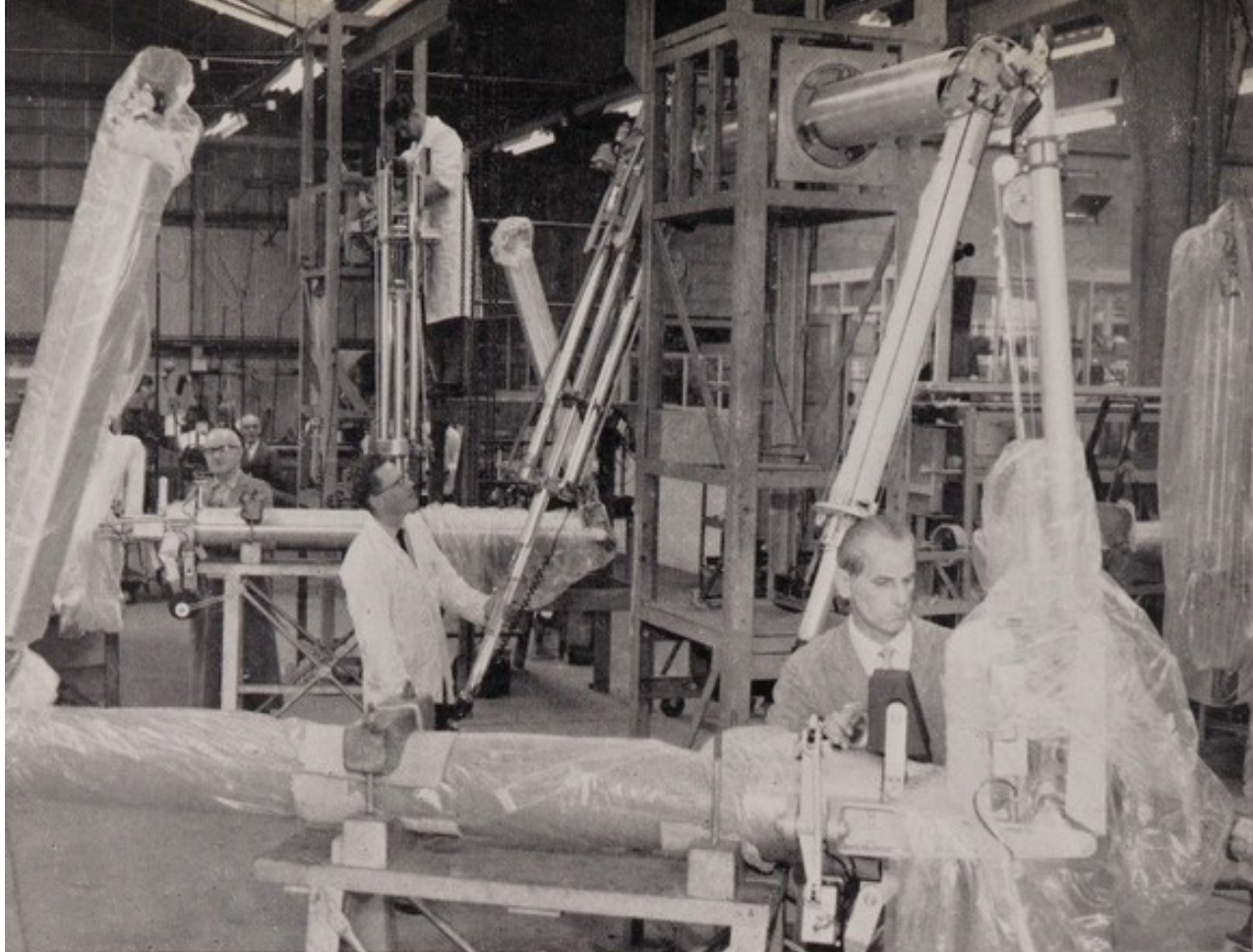


Teachers and broadcasters from Kenya and Sudan at the London Centre for Educational Television Overseas, on one of the many courses in the Ministry's programme for training students from overseas in Britain.



Part of a consignment of British tractors worth £350,000 delivered to Uganda. Greater agricultural production in developing countries is essential to their economic progress on other fronts.



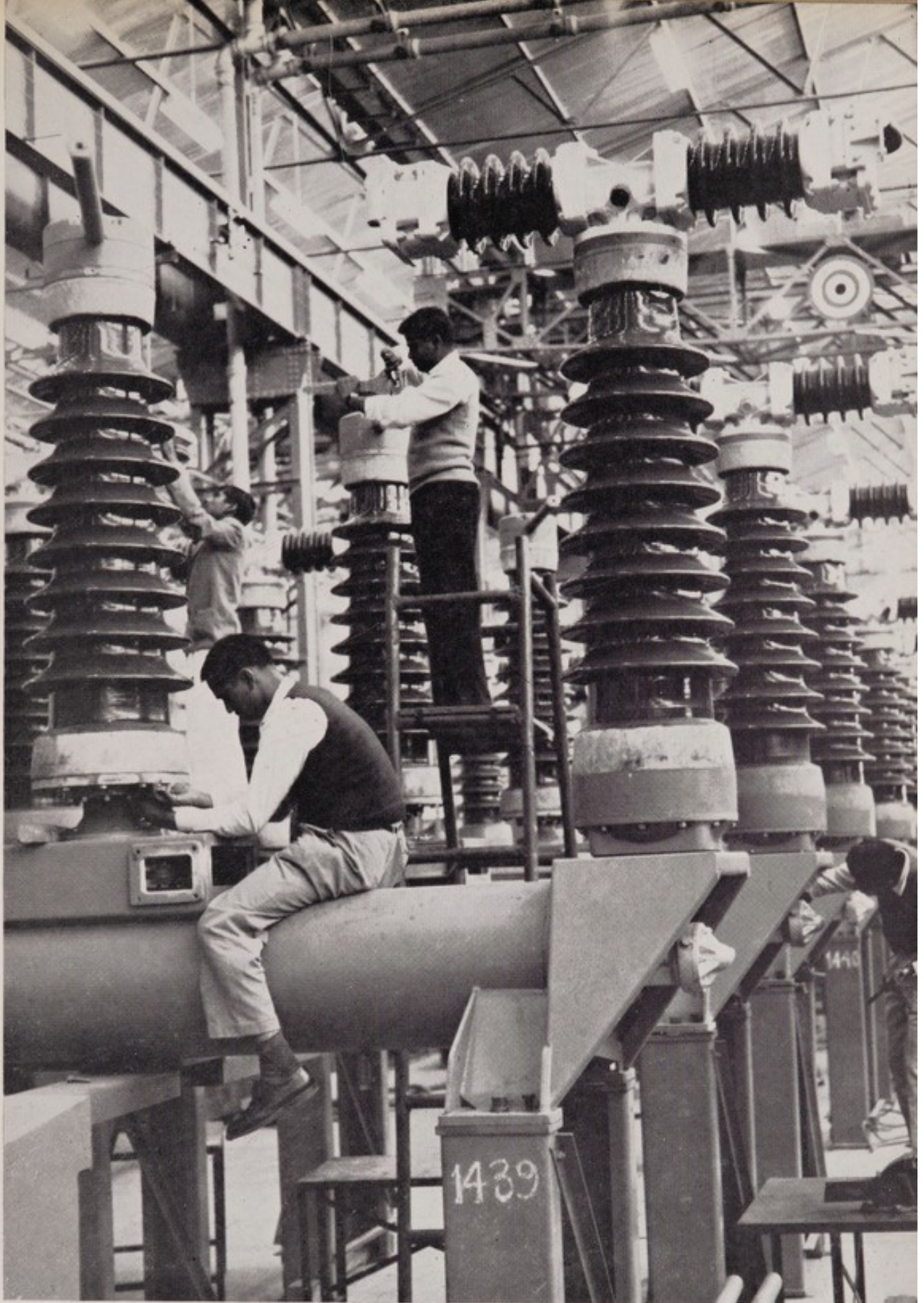


Part of a 'hot cell' supplied by Britain for the remote control handling of radioactive materials at Mexico's first nuclear centre. A large proportion of Britain's financial aid is spent on equipment and services.



The padi transplanter, developed by the Overseas Liaison Unit of the National Institute of Agricultural Engineering on trial in rice fields in India. An example of a small tool which helps farmers to increase productivity.





The switchgear department of the heavy electrical plant at Bhopal which largely supplies India's power equipment. This is one of the major projects with which the Ministry's Special Projects Directorate is assisting.

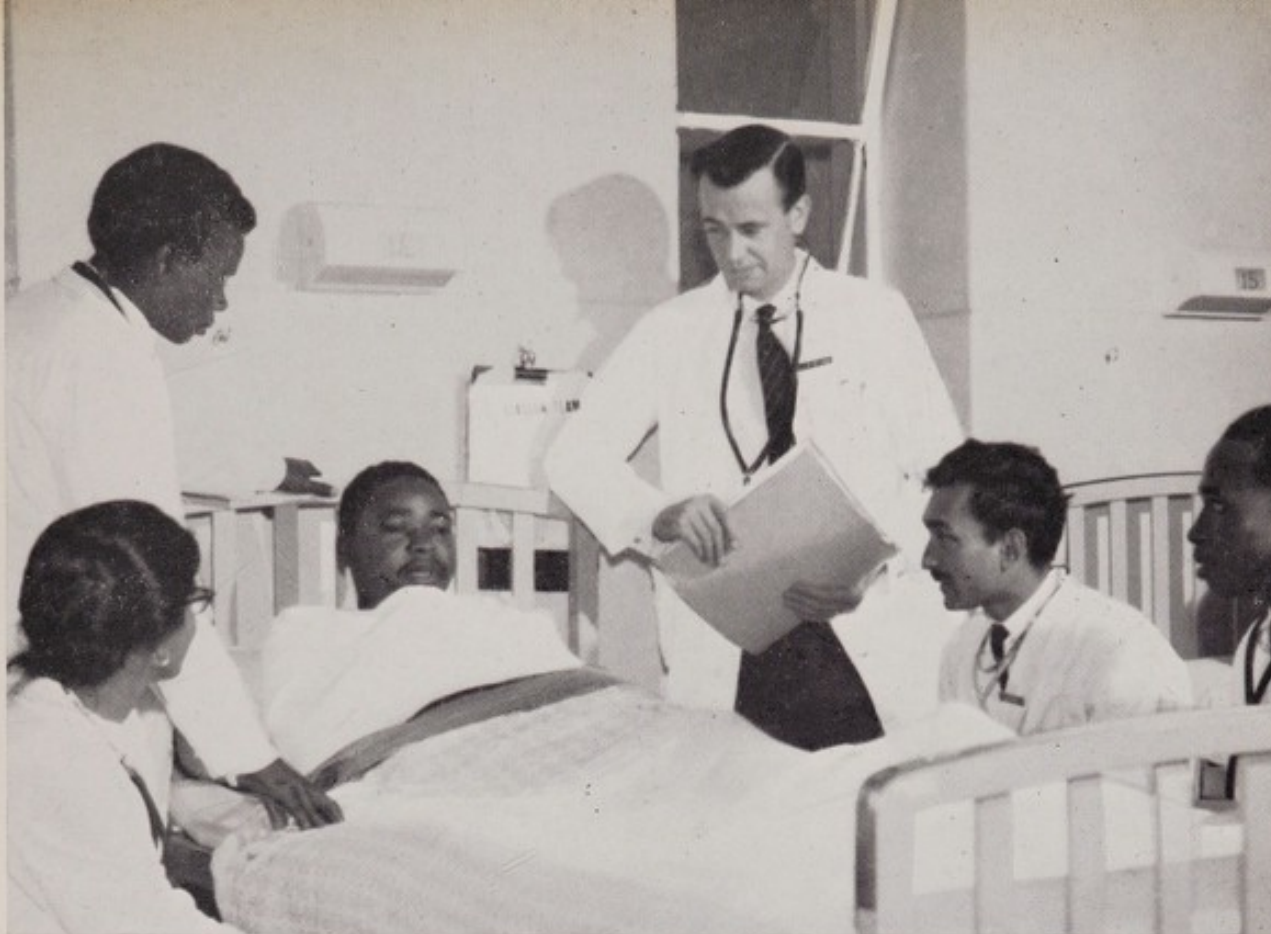


A Kenya Government Chief Engineer visits a power project. Over 10,000 British Experts are serving under the Overseas Service Aid Scheme which supplements salaries of staff needed in the public services of developing countries until their own people can take over.



An income tax inspector helps Malaysia develop a firm tax structure. As a Technical Assistance adviser on contract he is typical of nearly 700 people employed directly by the British Government on work in developing countries.





Staff from the University of Glasgow's Faculty of Medicine assist the University of East Africa to promote a teaching centre in Kenya.



Equipment worth £142,000 has been supplied and installed in six workshops at the Industrial Apprentices Training Centre in Peru. Three experts advised on the installation of the machinery and remained to train the local apprentices.





Replacing the old caravan trails, a road system, linking Turkey, Iran and Pakistan, is being built under the Central Treaty Organisation. Britain, a CENTO member, is supplying experts, funds and equipment.



Jamaica is being assisted in making a feasibility survey for the construction of a high dam on the Yallahs River to meet the water supply needs of Kingston. Private consultancy firms from Britain are engaged for this and similar surveys all over the world.





British teachers at the Teachers Training College, Kericho, Kenya. The goal of all developing countries is an expansion of the indigenous education at all levels, and for this teacher training is among the first priorities.



A Ministry scientist experiments with new food storage systems in Kenya. Home based scientific units help solve problems which may impede social and economic development.





A young volunteer nurse working under constant hazard struggles to save the lives of refugees from the war on the Laos-Vietnam border. More than 1,700 volunteers will be serving in 75 countries this year.

VIII—EDUCATIONAL ASSISTANCE

158. Educational assistance covers the help given by the Ministry at all levels of education in developing countries overseas. In selecting targets and projects the Ministry concentrates on key points where its help will have a significant impact on overall economic and social development. Particular emphasis is given to teacher training, and to university and technical education. Forms of assistance include the planning, finance and staffing of new facilities and help for a variety of aids to education.

159. The supply of British teachers and university staff to institutions overseas, a central feature of our educational work, is dealt with in Chapters V and VI; and training in Britain, another most important part of the Ministry's activities, is described in Chapter VII. But a brief report is made here on the main schemes evolved at successive Commonwealth Educational Conferences since the first one at Oxford in 1959: the Commonwealth Scholarship and Fellowship Plan; the Commonwealth Teacher Training Bursary Scheme; other assistance to teacher training; curriculum development; assistance to overseas universities; the promotion of technical education and training. Social education and training, television and other audio-visual aids are also described.

160. The Ministry has the assistance of, and works in very close co-operation with, a number of related bodies such as *the British Council, the Inter-University Council for Higher Education Overseas, the Council for Technical Education and Training for Overseas Countries and the National Council for the Supply of Teachers Overseas*, whose recruiting work has been described in paras. 103 and 104. It also maintains close relations with the Commonwealth Education Liaison Committee and Unit and with UNESCO and the United Kingdom National Commission for UNESCO. The British contribution through UNESCO has been described in Chapter II. The concentration in the Ministry of responsibility for all official forms of aid has made it possible to achieve a welcome co-ordination of all the main strands of educational assistance provided from Britain to developing countries.

British Council

161. A special reference is due here to the British Council. Much of the Council's educational and welfare work, at home and overseas, is directly concerned with developing countries. Since 1st April, 1966 the Ministry has shared with the Foreign Office and the Commonwealth Office financial responsibility for the Council. The Council already performs a number of services in respect of people brought to this country for training (Chapter VII). It plays the leading part in the teaching of English overseas, a subject in great demand and a fundamental element in development. In recognition of this, the Ministry provides the Council with special funds for the *Aid to Commonwealth English Scheme*, under which teacher training experts in the Council's career service are seconded to key educational institutions in the Commonwealth. The Council is

also actively concerned with the recruitment of teachers (Chapter V), with the supply of books and periodicals, with public library development, with educational television and with science education. A detailed review has taken place of the co-operation between the Ministry and the Council, both in Britain and overseas, particularly over recruitment, training and the use of Council staff overseas in the administration of educational assistance. The aim was to prevent overlap and to achieve the maximum benefits from the joint resources available. As a result, the Council and the Ministry are co-operating even more closely in the promotion of overseas educational development.

Commonwealth Scholarships and Fellowships

162. The scheme has grown from the provision of 173 awards in the academic year 1960/61 to 508 awards in 1965/66. Awards are normally at postgraduate level and at present go to students from 40 different countries. A hundred additional awards in medicine alone were announced at the Edinburgh Medical Conference last year (para. 189 et seq.). Many former Scholars and Fellows now hold senior posts in their home universities and government offices. A small number of Fellowships are reserved for very senior scholars of established reputation who are thus enabled to participate in valuable academic exchanges of posts.

Teacher Training

163. A goal of all developing countries is an expansion of their education service at all levels and for this teacher training is the first priority. The British Government helps both with training in this country and with assistance overseas. Courses are arranged in British colleges and institutes of education for 550 teachers from overseas each year. They are brought over under the Commonwealth Bursary Scheme, which covers their tuition charges and living expenses, and they undertake to return to take up teaching in their own countries. In a number of countries equipment for teacher training establishments is also provided. Teacher summer vacation courses overseas, instituted in 1961, have been most successful, and this year over 130 teachers from British colleges of education and primary schools have conducted courses in six countries for over 2,000 local teachers.

164. Despite the increasing emphasis on efforts to provide their own teachers developing countries continue to ask for British teachers and the demand grows each year. There were about 2,670 officially financed teachers abroad at the end of 1965 not counting Volunteers and, as shown in Chapter V, the Ministry and other agencies in association with it are continuing to maintain the supply.

Curriculum Development

165. In planning teacher supply and in the provision of other educational facilities the Ministry is seeking to help maintain and improve quality. The growing number of requests for assistance from the authorities in many overseas countries has led the Ministry to set up, in co-operation with the Nuffield Foundation, the *Centre for Curriculum Renewal and Educational Development Overseas (CREDO)*. It will make use of the results of recent developments in Britain (as fostered by the Schools Council for example), help on request in the

adaptation of British methods to local circumstances and arrange team visits both ways to assist experimental projects overseas or to bring educationists from overseas to work with British teams. The Centre will co-ordinate and pass on all that is learned from these experiences and experiments. The Governing Body is under the Chairmanship of Mr. Brian Young. Mr. Robert Morris has been released from the Department of Education and Science to be the first Director of CREDO.

166. Also relating to the quality of education is the assistance being given to local examination boards. The West African Examinations Council will have the assistance of British Chief Examiners in Nigeria and Ghana in preparing examinations. Nigerian and Ghanaian assistant examiners are taking courses at Cambridge.

167. To an increasing extent, either directly or through the British Council, the Ministry is helping in the teaching of English, mathematics and science in particular. Examples include a pilot experiment, financed by the Ministry and controlled by Ibadan University, into the use of the Initial Teaching Alphabet to teach Nigerian children to read English; assistance to the Ghana Mathematical Association with the production for use in secondary schools of a complete mathematical syllabus and texts devised to suit the needs of Ghanaian children; and the provision of science equipment to selected schools in certain African countries. The Ministry has also become increasingly concerned with the supply of books as tools of development and will continue, and if possible expand, its interest in this field.

Overseas Universities

168. The Ministry co-operates with British universities, international bodies and other donor countries in helping developing countries to plan, finance and staff new universities. The scale of capital assistance to African universities is described generally in Chapter XV. Some of these are breaking new ground—attempting to develop, within a single comprehensive organisation, degree and diploma courses, research and extra-mural work, all closely related to local manpower and economic needs. One of these new institutions, the University of Malawi, will include an agricultural college and a polytechnic assisted by the United States Government as well as a college of education which the British Government has helped to provide. Its degree courses, together with courses in public administration, will be held in buildings to be erected with the help of a British grant of £1 million; and the Ministry has been discussing with the Malawi Government and the university authorities, as well as with other donors, how this money can best be used. The Ministry has also provided a British architect to help prepare a physical master plan reflecting the University's own academic planning, which is itself related as closely as possible to the general educational and manpower planning of the Malawi Government. In Mauritius and Guyana, where British capital grants have also been promised, the Ministry is similarly involved—in the latter case in co-operation with the Canadian Government—in helping with the planning of new universities many of which will accept students at "O" level or the equivalent, provide courses for technicians and other much-needed middle-level personnel and concentrate on research of specific local interest.

169. Further capital assistance of £300,000 has been offered to the University of the West Indies for the period 1st August, 1966 to 31st July, 1969. £250,000 of this sum is earmarked for the further development of the University's inter-island College of Arts and Science, in Barbados, the foundation stone for which was laid early in 1966. It has also been agreed that financial assistance should be given to the University in the same period in respect of its services to the smaller islands. Such assistance will take the form of an annual grant calculated on a *per capita* basis according to the total number of students from the islands attending the University in each year up to a maximum of £100,000 a year.

Inter-University Council for Higher Education Overseas

170. In helping in the establishment of these new universities the Ministry works with the Inter-University Council for Higher Education Overseas and with individual British universities whose involvement helps to ensure that appropriate standards are aimed at and maintained. The Ministry spent some £50,000 in 1965/66 in helping to provide external examiners for universities in developing Commonwealth countries.

171. But good buildings and good advice would be useless without good staff. At the University of Ife, in Nigeria, where a British grant of some £500,000 has been promised for new science buildings, help with science teaching is being given in a new and imaginative way. Under a scheme called VISTA (*Visiting Scientists Teaching Abroad*) a succession of scientists from London, Sussex and other British universities going to Nigeria, six at a time for three months each, and giving courses well prepared beforehand and integrated with the university's teaching programme, will, by the end of June 1967, have provided the equivalent of twelve man years in fields where the university is extremely short of experienced staff. The Ministry and the University of Ife have helped to organise and finance VISTA; but most of the credit for this successful experiment must go to the small group from British universities who have worked hard to put the scheme into operation.

172. Elsewhere in Nigeria, at the University of Nigeria in Nsukka, one of the first British university teachers appointed under another new scheme sponsored by the Ministry is helping to develop a link in the field of biology between Nsukka and the University of London. This appointment is one of the new ones which, as part of the scheme described in Chapter V, para. 110, the Ministry is prepared to finance over the next few years in British universities which are willing and able to help recruit staff for service in university and government posts in developing countries. The intention is that either the holder of the additional post or someone else from the same department should be overseas for a large portion of the time. In visits to more than 20 British universities, Ministry officials had by September 1966 been able to identify some 60 university departments which were ready to co-operate in this way.

Committee for University Secondment

173. Other devices for helping to increase the flow of British university staff to universities in developing countries, for helping them to train locally-born staff and for promoting the flow of overseas academics to study methods in this country have been developed by the *Committee for University Secondment*,

a small committee with strong academic representation, jointly serviced by the Ministry and the British Council, with the task of helping to increase the contribution of British universities (paras. 103–104). With the advice and encouragement of the Committee, over 60 informal departmental or faculty links have been formed and more than 200 working visits financed from funds supplied by the Ministry under the Commonwealth Teachers Act. The links which depend for their success on the interest and enthusiasm of individuals have been encouraged to develop in a variety of ways, reflecting the needs and possibilities in different areas and disciplines. One of the most recent is a link between the University of Southampton and the University of Annamalai (in Porto Novo, Dahomey) in the field of marine biology; and among the most comprehensive are those between Glasgow and Nairobi in medicine and veterinary science.

174. Other schemes developed under the guidance of the Committee for University Secondment include: The "Study and Serve" scheme under which 140 British graduates are combining further study in an overseas university with service either in the same overseas university or in an overseas government post; special Commonwealth Awards under which 12 eminent British scholars have already gone to serve in Commonwealth universities; and a scheme administered by the Inter-University Council under which up to four awards will be made annually to locally-born staff members of overseas universities in association with the Council who wish to gain further academic experience in Britain.

175. It is estimated that some £400,000 will be spent by the Ministry in 1966/67 on the schemes described above and other similar arrangements devised to meet the needs of overseas universities and to enlarge the areas of useful co-operation with universities in this country. These special arrangements are also complementary to the recruitment effort, conducted in the university field largely by the Inter-University Council and the British Council, referred to in Chapter V, para. 103.

Technical Education

176. The task of supplying young people trained for the needs of commerce and industry and the technical departments of Government lies in most countries with the technical colleges, which have continued to receive a high degree of priority. Extensions to existing colleges in dependent territories, including Fiji, Aden and Hong Kong, have been undertaken with the help of Colonial Development and Welfare grants; construction is in process on the three major colleges in Nigeria receiving aid from the British £5 million education grant to Nigeria; the Enugu Technical College, the Auchu Technical College and the Kaduna Polytechnic. At the request of the Government of El Salvador, with the support of the other Central American Republics, comprehensive British aid is being given in connection with the establishment of the *Instituto Tecnologico Centro Americano*; a Principal and heads of engineering departments have been supplied as part of the British contribution, and training in Britain arranged for counterpart staff. Principals were also found for the Auchu and Enugu Technical Colleges, the Kaduna Polytechnic, the Dar-es-Salaam Technical College and the Ghana Nautical College. These were among approximately 100 technical education staff recruited during the year mainly by the

Council for Technical Education and Training for Overseas Countries (TETOC), which acts for the Ministry over most recruitment in this field (para. 103). Nearly all the posts concerned attracted salary supplements under either the Overseas Service Aid Scheme or the Commonwealth Education Scheme. Gifts of equipment or books were made to a number of technical institutions; particular attention was paid to Management training (para. 145).

177. The Ministry's two advisers on technical education and the members and secretary of TETOC between them visited 37 countries during the year to give advice on the spot or to make recommendations in connection with a wide variety of technical education projects or programmes. In addition, three visits by British college Principals were made as part of college-to-college link schemes under Commonwealth Education Co-operation arrangements. The purpose of visits included advice on individual colleges, on systems of technical or (as in Uganda) commercial education, on the place of technical and commercial diploma studies in universities, and on the role of technical and commercial education in a country's whole economic development plan. Specific subjects such as technical and commercial examinations and the devolution of examining functions previously carried out in Britain to a Technical and Commercial Examinations Committee in Nigeria were also reviewed. This operation is being conducted mainly through the agency of the City and Guilds of London Institute, which receives a general grant from the Ministry to assist in the development of its work overseas; this work was furthered by a visit to East and West Africa of one of its senior officers.

Indian Institute of Technology

178. Advanced technology in India is being promoted by continued assistance to the Institute of Technology at Delhi—an institution of university status. The British Government and the Government of India originally agreed to co-operate in establishing a College of Engineering and Technology as part of Delhi University, and it is from this College that the present Institute, now separate from Delhi University and authorised to award its own degrees and diplomas, has evolved. Teaching and other staff have been provided by the British Government under the Colombo Plan Technical Co-operation Scheme, and equipment for the workshops and laboratories has been provided both by the British Government and by contributions from British industry. A special relationship has been established between the Indian Institute and the Imperial College of Science and Technology of London University, whereby the Imperial College has, among other things, assisted in arranging the appointments, over the period up to June 1966, of 12 British professors, 7 technicians and 18 experts for short-term advisory visits. The Institute's buildings have been provided by the Government of India, which has also provided Indian staff and locally-manufactured equipment.

179. The undergraduate courses, for a total of 1,350 students, have been so framed as to train practical engineers to meet India's needs. Facilities for sandwich courses are afforded by Indian industry and industry's requirements are given particular attention in the development of research by the 300 post-graduate students, who are already making a valuable contribution in optics, soil mechanics, electrical communications and other subjects.

Huddersfield Conference

180. Britain was host country to a Commonwealth Conference on the Education and Training of Technicians in Huddersfield in October 1966. The Conference was arranged by and held under the auspices of the Commonwealth Education Liaison Committee, and the British Government and the Council for Technical Education and Training for Overseas Countries co-operated in its preparation.

Adult Literacy and Training in Social and Labour Questions

181. As well as its work in relation to formal education, the Ministry is increasingly concerned with informal or social education. A consultant on adult literacy has been appointed to the Ministry's advisory staff. The feasibility of undertaking a literacy project in depth in a chosen area with the object both of promoting a functional literacy programme of value to the development of the area and of providing lessons for the wider spread of literacy elsewhere is under consideration. This is a subject in which UNESCO is particularly concerned.

182. Many developing countries draw upon the experience of Britain in industrial training and in the labour and social fields generally. Education and training in the use of new systems and procedures is an integral part of the process. At the requests of the governments concerned, surveys of the youth employment services have been carried out at St. Lucia, Dominica, St. Vincent and Grenada, and the services have been made available of two experienced senior factory inspectors in the same Caribbean area to give advice and training on safety, health and welfare problems in industry. An expert on employment services was sent to Cyprus, and help was given to Chile in establishing a placement service for disabled persons. Advice on apprenticeship and foreman training was given to Uganda, and a survey of the prospects for workers' education carried out on behalf of the Government of Sierra Leone. A productivity team arranged in conjunction with the British Productivity Council, visited Jamaica in November 1965. A number of countries have been assisted in the revision of their labour legislation and the training of the staff needed.

183. It is opportune here to record also that the Ministry has given important assistance, training and advice in the development of simple social security schemes adapted to the needs of developing countries. Surveys on behalf of governments, and the education and training necessary to secure effective use of such schemes, have been carried out in Swaziland, Sierra Leone, British Honduras and a number of Caribbean Islands. Specialists on loan from the Ministry of Pensions and National Insurance have established national provident fund schemes of a comprehensive character in Kenya, Uganda, Zambia and Fiji and have assisted with the necessary staff training.

Television, Broadcasting and Other Audio-Visual Aids

184. There are few developing countries where television and broadcasting are not spreading rapidly. Many countries have been quick to appreciate that books, and the printed word generally, can be supplemented as educational tools by films, television and radio. The British Government is helping with the

provision of these basic means of communication, with the supply of experts, with the training of technical staff and with the development of educational programmes to take advantage of the new media as they become available.

185. In the 18 months to June 1966 about £2½ million were spent in meeting requests for the direct provision of equipment; on schools broadcasting projects in Kenya; on transmitters and studios to Laos; on a transmitter and a printing press to Nepal; on mobile cinema vans to Chile; on a complete closed-circuit television system for the Polytechnic Institute in Mexico City; and on a series of aids to broadcasting agricultural extension work in Malawi. Besides these examples of aid to independent countries there has been a growing disbursement of Colonial Development and Welfare funds for similar services in dependent territories. The British Council has training schemes both at home and abroad.

186. In the same period 37 experts in broadcasting, television and public information have been appointed under various technical assistance schemes, apart from a number of others who have gone on short-term assignments (less than three months) to look into particular problems. Acknowledgment is made here to the British Broadcasting Corporation for their constant helpfulness in the supply on secondment of much-needed experts.

187. The Ministry is spending about £100,000 a year on training radio and television programmers and technicians in this country. Besides many individual attachments to the Central Office of Information and the B.B.C. for example, and to individual newspapers, trainees are placed with firms and institutions who organise training in these subjects. Acknowledgment is made to the Thompson journalist and television courses and to the Regent Street Polytechnic, London.

188. Conscious of the importance of the role of new methods in speeding up and improving the quality of education, the Ministry has increased its support to two London-based organisations which play a leading part in this. These are the Centre for Educational Television Overseas (C.E.T.O.), and the Overseas Visual Aids Centre (O.V.A.C.). C.E.T.O. undertakes pioneering work in the production of educational programmes designed for use overseas and gives two courses annually. The Ministry has made it a grant-in-aid of £40,000 for 1966/67 and hopes, subject to Parliamentary approval, to increase this contribution substantially over the next two years. O.V.A.C. gives advice and help in all aspects of audio-visual aid of use to teachers and community development workers. Its annual grant from the Ministry, which enabled it to move into larger premises where its collection of examples of work and equipment are displayed to better effect, has been increased to £20,000 for the calendar year 1966.

IX—MEDICINE AND MEDICAL SERVICES

Commonwealth Medical Conference

189. The First Commonwealth Medical Conference, held at Edinburgh in October 1965, gave a new impetus to Commonwealth co-operation in this field. Every Commonwealth country which could do so made offers of assistance. Note was taken of the growing help for each other given by developing countries themselves, for example in the provision of places in medical schools and training institutions.

190. The Conference accepted that the main hope of significant progress in the longer term lay in efforts by the developing countries to train their own personnel by establishing their own medical and nursing schools and other training institutions. The older members of the Commonwealth undertook to encourage and help doctors and nurses who were willing to meet the immediate and urgent need for their services for a period in the developing countries, to stimulate the secondment of medical teachers and other specialists to serve in medical schools overseas, and to increase their provision of postgraduate training. The Conference also gave strong encouragement to associations on a continuing basis between medical schools and centres in the Commonwealth, as the most effective way of furthering the expansion of medical and nursing education in the developing countries.

191. In preparation for the Conference the Ministry, in association with the Ministry of Health, the Scottish Home and Health Departments, and other interested Departments, and with the help of the Ministry's Medical Advisory Committee and other representatives of the medical and nursing professions, reviewed all existing schemes of technical assistance in medicine and health, and examined ways in which they could be expanded and their effectiveness increased. The two main offers made to the Conference were first larger and better training facilities in Britain for postgraduate medical personnel from other Commonwealth countries, and secondly more help to medical and nursing education overseas.

Training Doctors

192. Of overseas doctors who seek further medical education and experience in this country by far the largest group come to Britain on their own initiative to obtain a training appointment in the hospital service. Without any professional introduction many of them in the past have tended to take the first post available whether or not it satisfies their requirements or is suitable for them. The Health Departments have therefore introduced schemes, first effective in June 1966, offering unsponsored entrants a short period of attachment to an appropriate clinical unit. Their competence can then be assessed in relation to the various grades of the hospital service, and they will be introduced to the training opportunities available. The hope is that this scheme may assist up to 1,000 doctors a year.

193. The second group are the graduates who, under the sponsorship of various official or unofficial schemes, seek a higher medical qualification. Of the 200 or so awards in medicine made by the Ministry in 1965, about 120 went to Commonwealth doctors. At the Edinburgh Conference the British Government offered to increase the number of these awards to Commonwealth countries for postgraduate medical education to 220 in 1966.

194. The most far-reaching of the new training proposals concerned a third group, the growing number of already well-qualified overseas doctors of high intellectual promise and ability who require specialised experience to improve their academic or clinical competence for key posts in the health services, particularly medical teaching, of their own countries. For this group the British Government has introduced a system of awards under an extension of the Commonwealth Scholarship and Fellowship Plan (para. 162). It covers the whole range of postgraduate medical education and experience. One hundred and fifty Commonwealth Medical Awards will be available. At least half, and perhaps considerably more of these awards are intended for potential or established medical teachers.

Training Nurses

195. Over 15,600 student and pupil nurses from overseas, of whom some 14,000 are from Commonwealth countries, are at present training in Britain. The great majority have come to this country unsponsored by their Governments. The Ministry, however, in consultation with the Ministry of Health, has introduced a small number of sponsored schemes, under which it agrees to place qualified Government nominees in approved Schools of Nursing in Britain for training leading to State Registration. Three schemes of this kind are already in operation, under agreements with the Governments of Malaysia, Mauritius and Jamaica, and others are under consideration; such schemes offer greater certainty that the nurses will return to work in their own countries.

196. Britain's main effort to ease the nursing shortage overseas is through the post-registration training courses now available to qualified Commonwealth nurses. They cover virtually all aspects of nursing, and the British Government offered at the Conference to double, from approximately 100 to 200, the number of places available for training at this level. In 1965, 210 applications for training at this senior level were received. But for some of the most senior courses, especially nurse teaching for which the need is perhaps greatest, some developing countries have difficulty in finding sufficient candidates with the necessary qualifications and experience for entry: so, at the request of Commonwealth countries, the Ministry, in consultation with the Royal College of Nursing, is planning senior courses especially devised to meet overseas requirements. This is in line with the Overseas Ward Sisters' course established some years ago which has and still is fulfilling a need. But progress in a growing number of countries enables training at this level to be undertaken locally or regionally.

Training Medical Technologists

197. There is growing awareness in developing countries, as elsewhere, of the importance of the professions supplementary to medicine. In June 1966, 130 trainees in these disciplines were studying in Britain with assistance under the

Regional Programme arrangements (para. 140) of the Ministry, and a further 100 candidates were under consideration. Arrivals for training in Britain rose from 35 in 1964 to 97 in 1965. Training for these professions is also given locally in several developing countries, sometimes with assistance from British teaching staff; the new Institute of Para-Medical Sciences in Rangoon is an outstanding example, and Britain is supplying this Institute with teachers in physiotherapy, radiography, pharmacology and laboratory technology.

Medical Schools

198. The training locally of doctors, nurses, and technologists in numbers far beyond anything that can be achieved through the colleges and schools of the more developed areas remains the main goal. The Ministry is therefore helping to staff and re-equip existing medical schools overseas and to establish new ones. The Ministry itself does not normally recruit teaching staff for individual vacancies in overseas medical schools; where, as is normally the case, these schools are university faculties, recruitment is undertaken by the Inter-University Council, the British Council, or the Association of Commonwealth Universities. The Ministry does, however, contribute (from Commonwealth Education Co-operation funds) to the costs of a number of both long and short term appointments at these schools. Britain will now help further by the negotiation of agreements for the supplementation of the salaries of all British staff at an increasing number of overseas universities (para. 128).

199. Among the medical institutions to which special assistance has been provided are the Medical Schools of the Universities of Lagos and Ibadan in Nigeria, of the University of East Africa, and of the University of the West Indies. Continuing assistance of this kind goes for example to the Cholera Research Institute at Dacca, the Jinnah Postgraduate Medical Centre at Karachi, the Lagos Dental School and the University of Zaria. The Ministry's support of the developing Faculty of Medicine of the Haile Selasse I University in Ethiopia has been extended by appointments to the Chairs of Anatomy and of Obstetrics and Gynaecology, bringing to four the Chairs financed under the programme of technical assistance, and further amounts of equipment necessary to the satisfactory functioning of these Departments have been supplied. Arrangements have recently been completed for the secondment for a year of a Senior Lecturer to the Orthopaedic Department and for the annual visit of an examining professor.

Home Base Specialists

200. The Ministry supports 21 Lectureship appointments at the London and Liverpool Schools of Tropical Medicine and Hygiene and in the Medical Faculty of the University of Edinburgh. This makes it possible for lecturers to be available for posting to overseas medical schools and medical services. Postings under negotiation or made during the last 18 months include secondments to medical schools in Ghana and East Africa (Makerere and Dar-es-Salaam), to the Governments of Kenya, Singapore and Sabah and to the World Health Organisation. It is hoped that more staff for teaching appointments overseas may be available following the Ministry's decision to assist establish supernumerary posts in other institutions in Britain, thus supporting their

activities overseas (para. 110). A number of such posts have been allocated to medicine. The first secondment under this scheme has been made to the University of the West Indies.

Co-operative Associations between Medical Schools and Hospitals

201. Informal arrangements for the supply of British teachers or for the advanced training of overseas doctors have long existed between some medical schools and hospitals in Britain and in the developing countries. Examples of the smaller links, established already, are seen in agreements between the Great Ormond Street and Westminster Hospitals and Makerere (secondment of Senior Registrars and of Ward Sisters on a continuing basis); and the Nurse Tutor association between St. George's Hospital and King's College Hospital on the one hand and Lagos and Ibadan on the other. For the most part these associations will probably remain quite small; their value and effectiveness derives largely from personal contacts between the staffs of the medical schools or departments concerned. In many cases they do not receive or require any financial assistance from public funds under the Ministry's Vote. In others, however, the Ministry assists by the supplementation of salaries overseas, payment of passages and in other ways, for example in the case of the Medical Faculty of the University of the West Indies and University College Hospital, Jamaica, which have close ties with several London Medical Schools and with Bristol University.

202. An outstanding large-scale association between a British and an overseas medical teaching institution is the new link established with the Ministry's support between the Medical Faculty of the University of Glasgow and the Nairobi (Clinical) Extension of the Medical Faculty of the University of East Africa. This scheme came into operation in April 1965 and covers a number of departments. Twenty-two Glasgow professors, consultants, lecturers, and technicians have accepted secondment varying in length from three to eighteen months to the Departments of Medicine, Surgery, Obstetrics and Gynaecology, Anaesthetics, and Pathology in Nairobi. The costs of these secondments are being met in part by the Ministry and there is already no doubt as to the effectiveness of the scheme. The Government of Kenya has declared its intention to establish a separate full medical school in Nairobi during 1967. We hope that assistance from Glasgow will continue within the new context, probably in co-operation with the Universities of Giessen in West Germany and McGill in Canada, and that the scale of assistance provided from Glasgow will be maintained.

203. Other medical links in prospect or under discussion include assistance to a postgraduate medical centre in India, to the Dar-es-Salaam Medical School, and to medical education in Sierra Leone. Complex associations between faculties or between departments present many administrative difficulties and necessarily take time to bring about, but the Ministry is convinced of their value. It is glad to place on record its recognition of the readiness of British universities, despite shortages of their own, to make staff and training facilities available as part of these associations for the benefit of overseas institutions and students.

Training Dentists

204. In dentistry most requests from overseas are for training awards and some 25 dental postgraduates are at present studying in Britain under the regional programmes of technical assistance. The new Commonwealth Medical Awards referred to in para. 194 are also available to teachers in dental schools and to the potential holders of other key dental appointments. At the request of the Government of Burma, the Director of Studies at the Eastman Dental Hospital, London, visited Rangoon under the Ministry's auspices to advise on the establishment of a new Dental School there and also visited Meshed University in Iran to advise on the provision of equipment for the Department of Dentistry.

Population Growth and Family Planning

205. The relevance of population growth and the encouragement of family planning to any discussion of development problems is clear. The Secretary-General of the U.N. has said:

“ On present showing there simply is no prospect of growth in agricultural production sufficient to accommodate the rising flood of people.”

Throughout the world there has been for some years a growing realisation of the importance of this factor, and many Governments have taken active steps to make available the means for family planning and to encourage their use.

206. There is still a wide range of attitudes to the problem of high population growth rates. In India and Pakistan the Governments have sponsored for many years programmes designed to encourage the use of family planning methods: more recently similar programmes have been introduced in Ceylon, Malaysia, Singapore, Tunisia, Turkey and the United Arab Republic. In other areas such as Hong Kong effective programmes have been set up by voluntary agencies.

207. Internationally, the United Nations took a positive step forward with the adoption by the Economic and Social Council in 1965 of a Resolution which *inter alia* authorised the Secretary-General to provide advisory services and training on action programmes in the field of population at the request of Governments desiring assistance in this field. The General Assembly in 1965 deferred discussion of the population question, and the United Nations policy in this field continues to be governed by the Resolution of the Economic and Social Council. The first U.N. Advisory Mission concerned with family planning went to India in 1965. The Economic Commission for Asia and the Far East has appointed advisory staff and organised seminars on family planning. The World Health Organisation, on the other hand, while deciding in 1965 to encourage studies on medical aspects of sterility and fertility control methods and the health aspects of population dynamics, and to advise on the health aspects of human reproduction, specifically excluded operational activities from its field: in 1966 the Assembly reaffirmed the 1965 policy and confirmed “that the role of W.H.O. is to give Members technical advice upon request in the development of activities in family planning as part of an organised health service without impairing its normal preventative and curative functions.”. The United Nations Children's Fund Executive Board decided, in May 1966, to defer a policy decision on assistance in the family planning field. The Food and

Agriculture Organisation review of the second post-war decade, "The State of Food and Agriculture, 1965", in commenting on the main influence on food needs and supplies said, "The population explosion in the developing countries is undoubtedly the most important single factor dominating the world food and agricultural situation during the whole post-war period.". Population Growth and Economics was chosen as the special topic for discussion at the 1966 meeting of the Colombo Plan Consultative Committee.

208. The British Government is deeply aware of the importance and the difficulty of the population problem and of the gravity of the consequence which would follow from neglecting it. Britain's own resources of knowledge and experience are limited. The Ministry seeks to respond to particular requests from overseas governments and it is taking steps to organise more effectively British resources for meeting such requests. Under our programmes of technical assistance, we are providing for advisory visits by British experts to India, Jamaica, Mauritius and Singapore; for financial grants to voluntary organisations to help them in their work abroad, and for the training in Britain of people from overseas who will work in the family planning programmes of their own governments.

209. We need to improve our ability to help in the future by building up in Britain a body of knowledge and experience of the population problems in overseas countries; by co-ordinating the training facilities we can offer; and by encouraging research. To these ends the Ministry is considering the possibility of establishing a Population Bureau, in association with a suitable institution of postgraduate studies in this country. The aim is to train at postgraduate level in a number of related disciplines the people who will hold key positions in the organisation of their own government's family planning programmes. The Bureau would also serve as a host institution for research students and workers, and help to co-ordinate the academic work in Britain which is carried on independently in many different centres.

210. The British Government itself can of course make only a small contribution towards the solution of this world problem. We believe that population problems must be a matter primarily for the governments of the countries most immediately concerned and that family planning programmes aimed at containing these problems can be successfully mounted only by these governments. Our broader aim therefore is to encourage the United Nations, the Specialised Agencies and other members of the U.N. family to take effective action in this field whenever the government of any developing country seeks such help. The British Government has supported moves towards this end in the various organs of the United Nations and will continue to do so.

X—DEVELOPING NATURAL RESOURCES

211. The Ministry of Overseas Development co-ordinates the resources and services available in Britain to help the developing countries increase the economic yield from their minerals, agriculture, animal husbandry, forestry, and fisheries.

A Renewed Concern with Agriculture

212. In White Paper Cmnd. 2736 it was noted that the slowing-down of the rate of growth in developing countries had been particularly marked in agriculture and the serious implications of this for overall economic development were emphasized. The situation has not improved over the last year. In spite of some great advances in total output, *per capita* food production in developing countries has fallen back to below the pre-war level in all developing regions except the Near East. Food supplies have only succeeded in keeping pace with the increased food demand in these countries through reduced food exports or more often through larger food imports. The rate at which population growth continues to outstrip growth in agricultural production and the increasing demand of urban populations for non-indigenous as well as locally produced foods are outstanding factors. Increasing international concern is being expressed about the world food situation. The Ministry is closely involved in the international discussion of the dimensions of the problem and the steps which should be taken.

Food Aid

213. The most immediate palliative has been aid shipments of food. Without this, the food-deficient countries would be facing a grave situation in the immediate as well as the long-term future. Food aid, however, is already marginal to total food requirements and, whatever the extent of its increase, will remain so. Encouragement is needed, and the need can only be greater as time goes on to help those developing countries which are not self-sufficient in food to become more nearly so. It is therefore all the more important that food aid should be provided under conditions which will encourage increased local food production. At the same time an expansion of aid in the form of food imports has side effects on international commodity trade, on other forms of aid, on food habits and the problems of absorptive capacity, given the patterns of transport, storage and internal distribution. The availability of food aid affects diversification, social and employment policy and national and multi-lateral financial and organisational arrangements. The range and complexity of these problems has led the General Assembly of the United Nations to call for a comprehensive study of food aid and its implications, in which the international organisations concerned with this problem will collaborate.

214. As a large food importer with balance of payments problems, Britain is not in a position herself to supply significant amounts of food aid. The British

Government is, however, a firm supporter of international efforts to provide food aid under the right conditions to developing countries. Despite our economic difficulties, the British Government has pledged a new and increased contribution of \$6.2 million to the World Food Programme in 1966-68, and has provided emergency aid to India to improve facilities to handle the food supplies contributed by countries in surplus. The Government has also pledged £40,000 to the Freedom from Hunger Campaign Fertiliser Fund run by the Food and Agriculture Organisation (FAO) and has co-operated with the industry in Britain so that the fertilisers purchased with this contribution are integrated with the technical assistance which the industry is ready to contribute. The Ministry will join in the several international planning groups dealing with this range of problems and give help when it can.

Indigenous Agricultural Development

215. But the main need is for the developing countries themselves to increase their own food production as rapidly as possible and for this purpose to give higher priority in their development plans to agricultural investment and to policies and measures necessary to stimulate agricultural development and productivity. Unless the necessary priority is given to this, the chances of increasing investment and indeed of making effective economic progress will inevitably be reduced.

216. The development of agricultural productivity is bound to be a slow process. The obstacles are not only lack of resources or experienced manpower. The greatest obstacles are human and social. Tradition and resistance to change must be overcome. Land reform must be carried out. Education and training must be related more closely to economic and particularly agricultural requirements. Social as well as economic incentives must be found to encourage useful work on the land and to prevent population drift from rural areas until adequate urban employment opportunities are available. Above all, unless effective national institutional arrangements are made for advice, credit and supplies such as fertilisers to farmers themselves, and for the marketing of their produce, aid will not reach them and agriculture will continue to stagnate.

217. The Ministry's policies for aid and technical assistance are geared to these requirements. The Ministry has consciously tried to increase the share of financial aid going to capital investment in the agricultural sector. In 1965 30 per cent. of aid spent on projects went to agriculture—the largest percentage to any sector. Aid was also provided for agricultural education and technical training, for promoting the use of fertilisers and for the development of machinery and equipment adapted to tropical agricultural conditions. The advisory staff of the Ministry has been strengthened and 137 posts have been provided for agriculturists and veterinarians under the Home Base proposals (para. 110) and 17 posts provided in the Corps of Specialists (paras. 111-112). Emphasis has been placed on the provision of technical assistance teams to advise on land survey, land tenure and land consolidation, and on the development of agricultural credit and of co-operatives. Kenya provides a good example of this sort of help. A group of specialists on survey, tenure and agricultural economics carried out investigations and made recommendations on the land

consolidation and development programme. The Minister's Adviser on Agriculture, assisted by a specialist on rural institutions lent by FAO, examined the arrangements for agricultural credit and finance needed for the settlement programme; expert advice on valuation was also provided. In other areas attention has been given to the key role of extension work in the improvement of crop and animal husbandry. The Ministry intends to intensify its aid to agriculture, although it must be noted that its freedom of manœuvre is dependent on agreement with overseas governments on the priorities for the use of aid.

Advisory Services

218. The widest range of technical assistance is called upon in natural resource development. On its own staff specialist advisers in agriculture, animal health, forestry, fisheries, land tenure, land drainage and irrigation, agricultural engineering, co-operatives, marketing and geology are closely consulted on aid programmes under consideration in the Ministry and take part in economic and other investigation missions overseas to help draw up or to analyse development plans and projects. Increasing calls for help in these fields from overseas governments reflect a growing recognition of the importance of the agricultural sector. The appointment of a Fisheries Adviser in September 1965 has considerably increased the ability of the Ministry to deal with requests for assistance in this sector. A third Agricultural Adviser is being appointed, as well as a deputy Animal Health Adviser. A full-time assistant to the present part-time Land Drainage Adviser is being appointed and the appointment of a full-time Adviser on Co-operatives is envisaged when the present part-time Adviser retires. The Caribbean Development Division at Barbados will have a full-time Agricultural Adviser with functions similar to the Agricultural Adviser in the Middle East Development Division. The posts of Agricultural Adviser in the High Commissions at Lagos and Nairobi have been filled. The Ministry has also fostered links between university agriculture and veterinary faculties and those in new universities in developing countries.

219. The essential preliminary step in resource development is to ascertain the natural endowment of the country concerned and the inherent qualities and advantages of one sector as against another. To help in this fundamental task the Ministry has extensive facilities at its disposal.

The Directorate of Overseas Surveys

220. The Directorate of Overseas Surveys, which is a part of the Ministry, undertakes field survey for geodetic, development (e.g. irrigation) and cadastral purposes, air photography, topographical and large-scale mapping and land resource investigations. Parties from the Directorate undertake field work overseas and maps are plotted from air photography at the Directorate Headquarters at Tolworth in Surrey. Practical training is given to local surveyors in the field abroad, and cartographers and photogrammetrists are trained in modern methods of map production at Tolworth, where short courses in air photo interpretation and land resource appraisal and planning are also given for agriculturists and foresters. Experts in survey, cartography and land resource appraisal are seconded or released for service to overseas governments or United Nations organisations for short periods. The Directorate is currently

working for 47 different countries and 40 officers from abroad received training at Tolworth during 1965/66. Over £1.25 million is allocated this year to this service. The expansion of the Land Resources Division of the Directorate reflects the growing realisation that a co-ordinated appraisal of soils, water, cropping potential and communications, based on reliable mapping, is an essential tool of development.

Geology and Mineral Resources

221. The former Overseas Geological Survey is now incorporated in the Institute of Geological Sciences under the Natural Environment Research Council, itself a Government-supported body. This integration increases the capacity for overseas work by pooling the resources of the two bodies, the Ministry continuing to be responsible for financing this work at a current cost of some £400,000 per annum. The wide range of work includes field surveys; professional advisory and laboratory services; liaison with geological survey departments in developing countries; and contributing to international technical conferences. The staff of the Overseas Division have visited some 20 countries in the last year, and home-base posts have been created to supply operational staff for overseas governments.

222. A typical instance of a scientifically based survey of potential mineral resources carried out by the Division is the investigation of lead-zinc mineralisation in north-east Thailand in collaboration with the Mekong Minerals Project. Following a reconnaissance geochemical survey in 1964, detailed geophysical, geochemical and geological studies were made in the 1965 and 1966 field seasons to discover and delimit orebodies which were subsequently tested by drilling. Supporting laboratory services were provided by the Mineral Resources Section in London. A regional geological map was prepared by aerial photo-interpretation and ground observation as part of this project. Another example of technical assistance of a somewhat different character is that being provided to the Comision Carta Geologica Nacional of Peru, where five British geologists are engaged in an extensive programme of geological mapping and mineral investigations in the Andes using aerial photo-interpretation. Training of local counterparts is an important feature of the project.

Land Drainage and Irrigation

223. In assessing the potential for agricultural expansion early attention must be given to the management of water resources. The Ministry's Adviser on Irrigation and Drainage has visited 15 countries in the last year to give technical advice. He led technical discussions on behalf of Swaziland with the governments of neighbouring countries, which are continuing; and advised on negotiations on behalf of Botswana and Lesotho preparatory to international waters agreements. Such agreements and the promulgation of water laws will provide the basis for plans for water development in Botswana and Swaziland. The adviser visited Malaysia in connection with the Trengganu River multi-purpose project for hydro-generation, irrigation and flood control. He attended, and contributed a paper to the Irrigation and Drainage Congress at Delhi in January 1966. This Congress has served most effectively in spreading knowledge of water development.

224. The land drainage and irrigation engineering postgraduate course at Southampton University, which is being financed by the Ministry until the end of the present university quinquennium, has been most successful. Out of the total of 16 students on the 1966 course, 9 were from overseas. Three of the previous year's successful students are serving overseas under British consulting engineering firms for "on site" experience. A travel grant has enabled four of the University staff to visit 10 countries to broaden the range of their experience.

Land Tenure

225. The modernisation of land tenure systems is increasingly being recognised as a condition of successful development. The Ministry's Adviser on this subject, helped in several instances by specialists recruited for specific assignments, has visited a number of developing countries to advise on land reform, the establishment of registers of title and the amendment of land law. The British delegation played a prominent part in the World Land Reform Conference convened by F.A.O. in Rome in July 1966.

226. Pre-investment studies and the creation of the institutional framework lay the basis for economic development. In the production phase which follows, the Ministry also provides a wide range of specialised services.

Agricultural Engineering

227. Much can be done to develop small tools which the peasant farmer in developing countries can use and maintain and so enormously improve the productivity of his land. The Department maintains, at a cost of about £30,000 a year, an Overseas Liaison Unit at the *National Institute of Agricultural Engineering*, near Bedford. The Unit, during the past year, has had a new success in the form of a small padi-transplanter suitable for use in the rice-growing areas of South-East Asia and elsewhere. This has been satisfactorily tried out and demonstrated in Burma and Ceylon and is now being commercially introduced in that area. Not least of the virtues of the padi-transplanter is that it can be made cheaply and easily in the country of use. The Overseas Liaison Unit is among the new home-base institutions described in para. 110. Additional agricultural engineers will now be engaged and will be available for assignment overseas by the Ministry as technical assistance experts.

Forestry

228. In examining the merits of aid proposals and the progress of existing programmes of assistance the Forestry Adviser has, during the past year, visited Central and East Africa, the West Indies and parts of Latin America. A major feature of British aid to forestry is the supply of expert foresters with knowledge of overseas conditions to assist particularly in the efficient management of forestry developments financed by British capital. The output of British forestry graduates in Britain at about 70 a year is sufficient to meet new recruitment at the moment, but basic training must be supplemented by specialised post-graduate courses, both for British foresters and foresters from overseas. A sum of £10,000 a year has been provided to the *Commonwealth Forestry Institute* at Oxford University, which also received grants from most Commonwealth countries, to sustain such courses and other activities of the Institute. Staff

travel abroad to advise on particular problems. Contributing governments can obtain advice on timber identification, anatomical studies and statistical services, including electronic computing and advice on the layout of field experiments and sample surveys. The Institute also conducts research. With the assistance of the Ministry's Tropical Products Institute it is testing timber properties, and an insect pathology unit has been established to study the control of insect pests by biological and virological means. The Forestry Commission is also able to second its Forest Officers for service overseas and the Forestry Commission School provides training for overseas foresters at a technical level complementing the postgraduate training available at the Commonwealth Forestry Institute.

Animal Health

229. In the past year, the Adviser on Animal Health has visited East Africa and the West Indies to examine existing British schemes of assistance to animal health and husbandry, and to advise on new projects which the British Government might assist. A notable example of home-based support for the development of veterinary services in developing countries is the assistance given to the University of Edinburgh for the maintenance of the post-graduate diploma course in Tropical Veterinary Medicine at the Royal (Dick) School of Veterinary Studies. Students are sent to the School from developing countries, British graduates are given post-graduate training before they go overseas and British officers serving abroad are given shorter refresher courses. Members of the staff of the school are enabled to spend a term each year on secondment to overseas universities, in particular to Ibadan in Nigeria, where they lecture and carry out research projects adapted to the immediate problems of overseas livestock industries. Agreement in principle has been reached between the University Authorities and the Ministry that these activities should be developed with Ministry support into a Centre for Tropical Veterinary Medicine which would provide a wide range of services connected with animal health and husbandry overseas. In August/September 1966 the Dean of the Edinburgh Veterinary School toured Latin American countries to visit local veterinary schools. His purpose was to assess the scope for British help and the modifications which might be needed to the Edinburgh post-graduate course to make it more suitable for Latin American students.

230. The Ministry has received support and encouragement from the Royal College of Veterinary Surgeons and the British Veterinary Association in its efforts to secure experts for service overseas under Technical Assistance Programmes and to provide training facilities here. Growing contacts with these organisations are proving of great value.

Fisheries

231. The new Fisheries Adviser was appointed in September 1965. He first visited 15 British fishery research institutes in order to bring the Ministry up to date with recent developments; to note specialists' knowledge which might be tapped; to examine the facilities available for training British and overseas personnel and to discuss the home-base posts in fisheries. Of these, five have now been filled and specialists are available to undertake overseas assignments. The Adviser has visited Bahrain, the Trucial States and Iran to

give advice on fisheries problems. His recommendations for the establishment of fisheries departments in these countries in order to develop the fisheries potential of the Persian Gulf and the Gulf of Oman are being studied. He has attended the World Symposium on Warm Water Pond Fish Culture in Rome, the Second International Oceanographic Congress in Moscow and the Indo-Pacific Fisheries Council in Hawaii.

Co-operatives

232. The Ministry acknowledges the contribution that co-operative societies, whether agricultural, marketing or consumer, make to the economic and social development of overseas countries. The continued lively growth of co-operatives depends to a great extent on the availability of expert guidance and instruction from countries where the Co-operative Movement is firmly established. The Ministry has therefore continued to seek the help of co-operative organisations in this country and has greatly valued the support received. Vital to the mobilisation of this support and to the most effective deployment of aid to co-operatives overseas in the *Advisory Committee on Co-operatives* under the Chairmanship of Lord Peddie, which advises the Minister on methods of providing technical assistance, in particular on the provision for training people from overseas in Britain; on the supply of personnel and the provision of expert advice and on the development of training facilities overseas. Following recommendations made by the Committee in 1964, the Ministry has circulated to overseas governments a list of educational material on co-operatives available in Britain and gifts of books have been made to certain governments on request. Four instructional pamphlets on co-operatives have been produced for use overseas and translated into a number of local languages. The Ministry has sponsored the production by the Centre for Educational Television Overseas of a series of films on co-operative activities, based on material previously prepared by the Centre for use on television. These films are now being supplied to overseas governments and institutions.

233. A successful seminar on agricultural marketing with special reference to marketing through co-operatives was held in 1965 at Nottingham University following a recommendation of the Advisory Committee, and another is being organised at Newcastle University in 1967. It is hoped that, as before, the seminar will attract senior members of Co-operative Departments overseas and senior officials of Co-operative Societies and Marketing Boards.

234. The main centre in Britain for the training of overseas co-operators is the Co-operative College at Loughborough, where some 35 students each year attend a course designed for them. The College has recently added to its staff a full-time tutor with practical overseas experience. The Ministry has guaranteed the College against a deficiency in College revenue arising from its overseas work. The cost of attendance of most of the overseas students is met from the Ministry's regional programmes of technical assistance. The demand for places continues to exceed the number available.

235. A grant-in-aid of £12,600 is being made to the *Plunkett Foundation for Co-operative Studies* during 1966/67, to enable it to continue and expand its programme of Co-operative training courses overseas and its other activities

on behalf of developing countries. The Government has agreed to continue the grant-in-aid for the following four years, up to a limit of £15,000 per annum. A further grant of £3,000 will enable the Plunkett Foundation to carry out during 1966/67 a research study into the role of co-operatives in land reform and land settlement in developing countries. The Ministry provides for *ad hoc* courses, visits and attachments for students attending the Co-operative College and other Co-operative institutions in Britain. It has in past years financed attendance at a business management course in Liverpool for Co-operative Officers from Tanzania and in 1965 a 13-week course on Co-operative supermarkets and self-service stores was mounted for 20 students from Latin America at a cost of £6,000. A similar course is planned for 1967.

Marketing

236. Once agriculture has passed beyond subsistence levels, it will not remain an economic proposition without an adequate marketing system. The Ministry's specialist Adviser on Marketing has carried out assignments over the last two years in what are now Lesotho and Botswana, and in Swaziland, Malaysia, Mauritius and The Gambia. The Gambia visits were to help establish the market prospects for crops alternative to ground-nuts as a basis for a policy of agricultural diversification. Such investigations involve several months of study and the preparation of detailed reports. The resources of the Tropical Products Institute for economic studies and quality testing of produce, described in the next chapter, reinforce the work on marketing problems.

XI—SCIENCE AND TECHNOLOGY

237. Scientific research and technical invention do not always receive a high priority in short-term development plans in spite of their long-term importance to the countries concerned. Donor countries and international organisations, with the resources of skilled manpower they can command, can help the developing countries to make sure that the needs of research and technology are not neglected.

238. For this reason the Ministry has set aside separate funds for science and technology. These amounted to just over £2·75 millions in 1966/67. These funds do not pay for all that might be labelled scientific aid, for much of the technical assistance described in other chapters is also of a more or less scientific kind. To qualify for assistance from the Ministry's science and technology funds a project has to fulfil two criteria: it must be mainly directed towards the gathering of new knowledge or the development of new techniques, and it must relate to the problems that impede the social or economic progress of developing countries. The biological sciences, particularly those connected with tropical agriculture and tropical medicine, have attracted the greater part of the funds so far. Provided that the criteria are fulfilled, work either in Britain or in a developing country may be financed in this way. A very full account of British aid of this kind was given in the White Paper published by the Department of Technical Co-operation in 1964 entitled "Research Assistance for the Developing Countries" (Cmnd. 2433). Most of the arrangements there described still continue.

239. The Ministry directly controls or assists a number of home-based scientific units which help with the problems of the under-developed countries. Out of the provision for science and technology in 1966/67, nearly £650,000 is for the laboratories and institutes directly under the Ministry's control or financed by the Ministry which, in their several fields, combine a number of closely related functions. They undertake some fundamental research; they also carry out applied research and technological development up to the point of commercial application (arrangements have been made with the National Research Development Corporation for the development of some of their projects in this way). They answer enquiries from overseas, some of which require special investigations; they advise the Ministry; they disseminate information; they take in trainees from overseas; they provide staff for advisory visits; and they act as home bases from which staff can be seconded for overseas employment. It is the policy of the Ministry to expand the activities of these units as funds become available. They are: *The Tropical Products Institute; The Anti-Locust Research Centre; The Tropical Stored Products Centre; The Tropical Pesticides Research Unit; The Tropical Pesticides Research Headquarters and Information Unit; The Tropical Section of the Road Research Laboratory; and The Overseas Division of the Building Research Station.* (The last two organisations are financed by the Ministry but are not part of its establishment.)

The Tropical Products Institute

240. The Institute, with 71 years of practical experience of Colonial and Commonwealth problems behind it, became a part of the Ministry in April 1965. Its objective is to help developing countries derive greater benefit from their "renewable" natural resources (agricultural and forest products, wild plants, animals, fish, solar energy, etc.). It is concerned particularly with the scientific, technological and economic aspects of post-harvest handling, processing, preservation, quality assessment and control of the resulting products, with local and overseas markets for them and with industries based on them. The Institute is active in the search for new products and processes and uses for waste products. The emphasis at present is on food and industrial problems.

241. During the last year the Institute dealt with 712 inquiries from 74 countries and from international agencies, about one-tenth of them involving practical investigations. The latter have included quality assessment and advice on the preparation of tung oil in Malawi, lime oil in The Gambia, perfumery and flavouring oils in Zambia, Uganda, Tanzania, Kenya and Ecuador and spices in Jamaica. A recent achievement has been the establishment in Malawi of production and commercial sale of a new perfumery oil called Nindi. The Institute was concerned in its discovery in a wild plant of Central Africa, in the cultivation of this plant and in the extraction and marketing of the oil.

242. Other investigations have included the extraction of vegetable fibres and the assay of trace residues of pesticides in tropical food crops. The Institute recently discovered the reason why many samples of the tropical softwood, *Pinus caribaea*, have inferior paper-making qualities. This is likely to affect all plans to establish plantations of this species in various parts of the tropics and will encourage the search for better species and varieties. The Institute's own researches have included investigation of attractants for the red boll-worm moth (a pest of cotton) and the desert locust; the detection, identification and estimation of toxins of fungal origin; the insecticidal constituents of pyrethrum; and factors affecting the deterioration of palm oil. In addition the Institute supports research at four overseas universities into constituents of tropical plant materials.

243. For practical study of the processing of tropical products, particularly on a smaller scale, a process development laboratory has been set up near Slough and the installation of pilot plant and recruitment of technological staff are proceeding. Work on the utilisation of waste products of tropical agriculture has led to the development, in conjunction with British industry, of a plant to make building board from groundnut shells and of a process for using rice husks in the manufacture of lightweight concrete.

244. Reports have been prepared on world markets for many tropical plant and animal products; on the setting-up of various small-scale industries; and on the economic aspects of the production of protein foods from oil seeds for the relief of protein malnutrition.

245. In 1965 the Institute held an international conference on the oil palm attended by representatives from producing countries and the oilseeds trade and scientists and technologists from European countries. An Oil Palm Advisory Bureau which issues regular news letters to all interested bodies has now been set up by the Institute.

246. Training was provided for 15 students from overseas and the Institute sent 14 experts to work overseas for periods varying from a few weeks to the secondment for two years of an adviser on food technology to the Pakistan Council of Scientific and Industrial Research; it also assisted in the recruitment of other specialist staff for posts under British technical aid and with international agencies.

The Anti-Locust Research Centre

247. The Centre has a world-wide reputation for locust and grasshopper research and control. Research is conducted on the biology, biogeography and control of these insects. Biological research is directed particularly to the study of locust hormones and the factors affecting maturation in locusts and to research on the plant substances which attract or repel locusts. Some important and far-reaching discoveries have been made which may eventually lead to the development of new methods of control. The taxonomic section provides an identification service for locusts and grasshoppers and receives for identification many thousands of specimens each year from all over the world. The biogeographical work involves the analysis and mapping of locust plagues and the study of their behaviour, ecology and damage potential. Intensive studies of all major plague locusts have been carried out and current work includes the study of locust plagues in the Philippines and Sabah. A special aspect of biogeographical research is undertaken by the Desert Locust Information Service. This Service, which is sponsored by F.A.O., receives reports on desert locust activity from all the countries concerned, and issues monthly summaries and forecasts of the desert locust situation, supplemented when necessary by cabled warnings. The Service also conducts research on the relationship between meteorology and the migration of desert locusts. Since 1958 no serious threat has developed without warning. Radically new, more effective and cheaper methods and materials for control have been evolved in the course of this work, which appear to have made an important contribution to the present locust recession. The work is being expanded to include fundamental aspects of insecticide action and efficiency, including improved methods of field study of deposits and residues of insecticides, particularly in Africa.

248. The Library of the Centre collects all published material on locusts and grasshoppers, abstracts of which are issued regularly to interested persons and bodies. The information at its disposal is freely available to enquirers and requests for information are received from all over the world.

249. During the past two years scientists from the Centre have visited some 30 different countries including Australia (where important work is being done on locusts), Philippines, Sabah, India, Pakistan and Iran to carry out technical assistance missions and collaborate in research with international and governmental anti-locust organisations. One of the staff has recently spent a year in Saudi Arabia assisting in the establishment of a locust research station. A team has collaborated in research in West Africa with two international locust control organisations, and another team has visited East and Central Africa in connection with the testing and application of insecticides, including spray trials with helicopters, from which important advances in techniques have been achieved. In the past year there have been visitors from more than 12 different countries for training and research. Special courses of about four weeks for groups of

trainees have been provided each year recently, and for others individual attention is given according to needs. Training in research may extend to a year or more.

250. The Centre is planning to extend its interests to cover pests other than locusts, initially those to which the techniques worked out for locust control might be applied.

The Tropical Stored Products Centre

251. The Centre provides advice and gives practical assistance on the storage and handling of produce. It has specialised on the control of pests in store, methods of inspection for deterioration of produce, and the design of storage containers and buildings for produce other than fresh fruit and vegetables.

252. During 1964/66, the Centre has sent specialist staff overseas and has arranged some fifteen investigations on storage problems in overseas countries. The incidence and behaviour of certain pests have been studied. The methods of drying and storage used by local farmers have been examined and modifications to existing systems demonstrated through the agricultural extension services. The ability of the farmer and trader to store produce without deterioration is a vital economic requirement. Wastage in store is still serious. Improvements are slowly being introduced in a number of countries. The Centre has provided advice to overseas governments and international agencies on storage policies and related problems.

253. About 170 officers from overseas participated in training programmes in Britain during 1964-66, specialised training being given to many individual officers. Besides various biological studies, the experimental work has included the development of inflatable plastic air-warehouses which have low initial capital outlay, are portable and can be fumigated, and provide flexibility in storage capacity to meet fluctuating crop yields. New forms of apparatus for assessing the presence of moisture, for measuring temperature and for detecting hidden infestation have been developed for use by local staff overseas; machines for shelling several types of nuts have been developed to aid inspection for assessing quality and to minimise breakage.

The Tropical Pesticides Research Unit

254. The Unit at Porton in Wiltshire was set up in 1948 to provide fundamental knowledge as a basis for the efficient and economic use of pesticides for the control of insect vectors of disease and the improvement of crop production in tropical countries. It consists of a team of entomologists, chemists, a physicist and an engineer; it is well-equipped with insect-breeding and test rooms, chemical and physical laboratories and a workshop. A large field trials area facilitates research on many aspects of pest control.

255. In the past year special attention has been given to the chemical and physical properties of insecticides that influence biological activity and persistence on building materials, on plants and in soils. Work on the application of pesticides has included the design, development and testing of new equipment and techniques for minimum drift spraying of herbicides from helicopter and fixed-wing aircraft, with particular reference to weed control in

irrigation channels and other restricted targets. This work has been done in collaboration with the Weed Research Organisation of the Agricultural Research Council.

256. The Unit collaborates with other organisations in Britain and overseas and participates in the World Health Organisation Collaborative Scheme for the evaluation of new insecticides in public health programmes. Specialist staff undertake short-term assignments overseas; in the past year an entomologist investigated and advised on insect infestation causing damage to sugar cane in Swaziland and Tanzania; a physicist assisted in the assessment of new techniques for the aerial application of insecticides to cotton in Tanzania; and a chemist visited India to advise on the determination of pesticide residues in food.

The Tropical Pesticides Research Headquarters and Information Unit

257. The journal "Pest Articles and News Summaries" (PANS) which appears in three sections—on Insect Control, Plant Disease Control and Weed Control, each comprising four numbers annually—is an important contribution made by the Information Unit to all research workers in this field. A new venture is the compilation of manuals dealing with all aspects of the control of pests, diseases and weeds for individual tropical crops. They are designed for extension officers and agricultural leaders rather than research services, and the first of them, dealing with bananas, has just appeared.

258. During the year help was given to the Committee on Pesticides Legislation set up by the Government of India. Three experts to advise the Committee paid visits to India, as did the Director of the Unit. The report of the Committee and its recommendations, incorporating the work of the British experts, is now being considered by the Indian Government.

259. A member of the Unit visited the Windward Islands to advise on the economics of banana spraying. The object of the enquiry was to select methods giving the highest cost/benefit ratios under the conditions of the islands. Follow-up work continues. The work was done jointly by the Ministry and the Canadian External Aid Office, which provided a spray application expert.

260. Research work on new molluscicides was mainly concerned with the organo-metal compounds, the usefulness of which was first discovered in the Unit. Triphenyl lead acetate looks at present a very promising new tool in the fight against bilharziasis (after malaria the most important endemic tropical disease) combining good molluscicidal activity with low phytotoxicity and, probably, low cost. Preliminary field trials have been undertaken at two research stations of the East African Common Services Organisation. This work is part of a world-wide co-operative programme sponsored and partly financed by WHO.

The Tropical Section of the Road Research Laboratory

261. At the Road Research Laboratory a special Tropical Section handles overseas problems and can call upon the resources of the Laboratory as a whole to deal with them to the extent at present of about one-tenth of its total effort. The great advantage of such an arrangement is that the whole range of British experience can be drawn on for application or adaptation to the road

development, construction and traffic problems of overseas countries. These activities are directed as closely as possible towards practical results. For instance, a team in Northern Nigeria consisting of one geologist and one engineer has as its research objective the development of a systematic method of terrain classification based on landform, geology and soil-forming processes for civil engineering purposes; it uses aerial photographs as a rapid means of evaluating ground conditions. At the same time, as an immediate practical objective, the geologist has been undertaking preliminary ground surveys for major road schemes in the area.

262. Officers from the Laboratory pay short visits to developing countries for specific research projects and to give practical advice. In 1966 the Head of the Laboratory's Tropical Section was one of a United Nations mission which reviewed a request from the Committee for the Asian Highway for greater international support. In all 12 Asian countries were visited and advice was given on training, research and materials-testing laboratories in relation to highway development programmes and road maintenance.

263. One project in the Laboratory's programme is its work on "pavement design". The object is to help road makers overseas to decide what strength of construction to provide for the likely traffic load. Money and effort have sometimes been wasted by making the road structure too strong and expensive, more often than by making it too weak. Part of the difficulty has been due to the lack of knowledge of the prevailing moisture conditions beneath the road surface. The Laboratory has provided methods of predicting the critical moisture conditions under roads and airfields over the whole range of climates encountered in tropical areas and has now issued recommendations on the design of bituminous-surfaced roads in tropical and sub-tropical countries.

264. The Laboratory has also done important work on construction methods, on the location of road-building materials, on the effects of tropical environments, on road and road transport statistics, and on the place of road construction in development planning.

265. For many years the Laboratory has run courses in Britain on road construction, traffic and safety. For the last six years, courses have been mounted specifically for engineers from overseas: these are now residential, through the co-operation of the Cement and Concrete Association, at their course centre at Wexham Springs. In 1965 the Laboratory, in co-operation with Shell (Malaysia) Ltd., assisted the Public Works Department, Malaya, to run two short courses at Kuala Lumpur on road planning and construction. These were attended by over 70 engineers. Again in 1966 assistance was given to the University of East Africa in the running of a course at Nairobi. Training also forms an important part of the long-term studies which are carried out in the field; local engineers and technicians receive training on the job and the Laboratory personnel give lectures to local gatherings of engineers.

The Overseas Division of the Building Research Station

266. The Overseas Division of the Building Research Station answers enquiries, disseminates information and assists in the solution of specific technical problems on housing, building and planning in developing countries. It undertakes research studies such as the design and performance of buildings,

thermal comfort conditions, the behaviour of materials, building and planning legislation and administration. The Division, whose head also acts as Adviser to the Ministry of Overseas Development, is being strengthened to deal with physical planning and capital-aided projects more fully than in the past. Additional funds have been allocated to allow for more overseas development work to be undertaken by other Divisions of the Building Research Station. During the past year members of the Overseas Division visited the Middle East, Central America, the West Indies, West Africa, South-East Asia and the Pacific. Advice was given to many countries on housing, building and planning questions. Overseas architects, engineers and administrators visit and work at the Station, to which many of the building research organisations in some 30 countries owe their origins. Much of the Division's work is devoted to advice and information to these and other organisations: it publishes "Overseas Building Notes" about nine times a year. These are circulated to over 1,500 individuals or organisations at home or abroad.

Grants to Overseas Governments, to Universities and Research Organisations

267. Other assistance in the application in overseas countries of science and technology to development generally takes the form of financial grants made to governments, universities or research organisations. Some £2 million is being disbursed in the current year in this way.* Grants to overseas projects generally cover only a proportion of the total costs. Applications are considered on their merits in relation to other requests for assistance in the same field of research. The Ministry has the help in this of specialised advisory committees. In medical research for instance there is the *Medical Research Council*, whose Tropical Medicine Research Board advises the Ministry on all questions of research into tropical medicine.

268. The method of supporting this type of work is normally through a contribution towards the recurrent and capital costs of research institutions maintained by overseas governments, often on a regional basis. For example, the interterritorial research organisations in East Africa draw about half of their resources from British aid; regional agricultural research for the West Indies in Trinidad is strongly supported; and a fisheries research establishment in Malaysia relies heavily on British assistance. It is sometimes found that the most effective help can be given through the provision of self-contained teams of British research workers, for example from the Medical Research Council or

* Grants to overseas research and development projects: 1966-67:

	£(000)		£(000)
Agriculture	724	Locust Control	10
Veterinary	154	Medical	385
Floras	22	Trypanosomiasis	125
Forestry	13	Social and Economic	125
Fisheries	100	Roads (a)	243
Pesticides	110	Building (a)	65
Nature Conservancy	2	Miscellaneous	55
		Total	<u>£2,133</u>

(a) The allocations for Roads and for Building provide for the overseas work of the Road Research Laboratory and the Building Research Station described above.

the Veterinary Research Laboratory of the Ministry of Agriculture. Key problems can also be tackled by the commissioning of special studies at overseas or British universities. Some representative samples of the work assisted by these grants are given in paras. 269–278 below. They cover, among other things, economics, agricultural productivity and medicine and are among the most significant demonstrations that relatively few scientists, properly equipped, can transform the lives of whole communities by eradicating disease or increasing the yield and marketability of crops. Gifts or loans of millions of pounds are no substitute for this sort of service.

Economic and Social Research

269. On the establishment of the Ministry with its new emphasis on the economic approach to problems of under-development, and in addition to the regular work of its Economic Planning Staff, funds were set aside for a number of economic projects which have since started. Grants have been made to the Universities of Cambridge, Leeds and Nottingham for economic research to be carried out in co-operation with the Universities of East Africa and Zambia; a survey has been undertaken in an Indian village to investigate the relations between labour input and agricultural output; a socio-economic study is in progress in Honiara in the British Solomon Islands Protectorate; and support has been offered to a co-operative venture between Glasgow University and University College, Nairobi, for the study of economic problems selected by the Government of Kenya.

Agricultural Research

270. The research provision for agriculture has been used to finance research aspects of agricultural questions described in the previous chapter; on most of the more important export crops and food crops and on pastures, animal husbandry and animal health. In Swaziland, for instance, the Ministry is paying the whole of the cost of a programme of agricultural research which has already had a notable effect on farming. In 1957 there were only a few acres of sugar cane under trial; today the sugar production is 180,000 tons. The pineapple industry was then moribund from nutritional troubles, but today it flourishes and is rapidly expanding. Citrus fruit exports, insignificant 10 years ago, were 190,000 cases in 1965 and are expected to double that figure in two years' time. Cotton had almost disappeared as a crop through pests, but is now fast increasing with yields exceeding 2,000 lb per acre and a ginnery has been built. Maize, the staple food, though still often badly grown, has been shown to be capable of giving 6,000 lb an acre with good seed and a moderate dressing of fertilizer. So successfully has research been applied that it is now considered that the citrus, pineapple and cotton industries in Swaziland can begin to pay for their own research out of profits with the hope that they will assume full responsibility in a few years.

271. *Cotton.* Devastating attacks by insect pests on cotton in Central Africa made the crop totally uneconomic even though the plant could grow well. Recent research has developed a control based on a carefully adjusted schedule of insecticide sprays which raises yields to among the highest in Africa. Examples from the 1965 test crops are, unsprayed, 811 lb against 1,781 lb per acre sprayed in Malawi and 1,003 lb unsprayed against 2,401 lb per acre sprayed

in Swaziland, all figures being for seed cotton. As a result cotton production is now rapidly expanding; for example from five acres of test plots in Zambia five years ago to over 30,000 acres in 1965 and the introduction of a new crop is changing the whole pattern of farming. African farmers are thus being introduced to new sophisticated methods and to the idea of farming as a business. This is a notable revolution, brought about by a few experts, relatively small expenditure, but a great deal of science.

272. *Coconuts*. Most of the crop plants commercially grown today owe much to plant breeders who have produced improved varieties, but the coconut, though existing in many more or less distinct varieties of which some are more productive than others, has been scarcely improved until recently. It is a slow-moving crop, with long generations, and breeding plots occupy much land. A few years ago, in the British Solomon Islands Protectorate, research on coconut breeding was started on estates of Levers Pacific Plantations which were being replanted and expanded. In collaboration with the Company and the Solomon Islands Government, and using preliminary work done by the Company itself, research into coconut breeding is now going ahead on a large scale. This work, though slow for the reasons given, has already provided evidence of strong hybrid vigour in at least one cross between Solomon Island palms and imports from Malaya, the hybrids giving about 50 per cent more nuts per palm and coming into bearing earlier.

273. *Bananas*. Two crippling diseases have for years afflicted bananas in the Western Hemisphere, both caused by fungi. In Panama Disease the roots are attacked and plants killed; in Sigatoka Disease the leaves suffer and the plant is debilitated. Breeding research has attempted to produce commercial varieties resistant to these diseases. Since edible bananas must be seedless and breeding can only be through seeds, the task has been difficult. But by collecting certain varieties with strong resistance from Asia and the Pacific and breeding from them in the West Indies, the plant breeders have evolved some commercially useful resistant varieties which, being themselves sterile, carry no seeds. One is now extensively grown while a number of others are under extended trials.

Trypanosomiasis Research

274. Research on the still widely prevalent disease of Trypanosomiasis, or sleeping sickness in cattle or humans, requires a reliable supply of the vector, the tsetse fly. The breeding of these in temperate climates was achieved at the Tsetse Research Laboratory which the Ministry has established and maintains at Langford near Bristol by arrangement with Bristol University. Other laboratories can now be readily supplied with large numbers of the flies for experimental purposes.

Medical Research

275. *Burkitt's Disease*. Although the medical research assisted by the Ministry covers some 25 diseases of the tropics, it must suffice to touch lightly on the recent progress in only a few of them. The mutilating cancer of the jaw known as the "Burkitt Tumour", common among children in Uganda and other parts of Central Africa, has received intensive investigation, especially as to its causation (which may possibly be due to a virus), its peculiar geographical incidence and its treatment. Virologists and pathologists in Uganda, Britain, Australia and

the United States have been drawn into these exciting studies. Mr. Burkitt has very recently reported surprising and dramatic though not invariable successes in treating the cancer with single doses of one or other of a series of anti-neoplastic drugs given by injection or even orally.

276. *Leprosy*. The field trial in Uganda of the possible prophylactic value of the preparation BCG* in 17,000 close contacts of the disease has indicated that the incidence of leprosy in those thus vaccinated has been only one-fifth of those in an equally large unvaccinated control group. Planned follow-up observations will continue; but these interim results after three years of assessment have done much to provide experimental proof to a hitherto much disputed hypothetical claim.

277. *Typhoid Fever*. The occasional failure of prophylactic vaccines in military and civil groups had stressed the need for an improved dependable vaccine. In 1960 an appeal for anti-typhoid vaccination by British Guiana (now Guyana), where the disease is rife, prompted the medical research advisers of the Colonial Office, in conjunction with the W.H.O. and American scientists, to test a new vaccine which was prepared by the Walter Reed Army Research Centre at Washington. Two experts from Britain assisted by the local medical service undertook the trial in 72,000 schoolchildren. The results have been spectacular in that it has recently been established that the vaccine gave a 93 per cent. protection-rate lasting for at least five years of observation.

278. *Cutaneous Leishmaniasis*, the dermal form of *Kala-azar*, which attacks and disfigures the "chicleros" who, for several months, yearly tap the "chicle" from trees in the rain forest, is being studied in British Honduras by a research unit sent from Britain to seek the vectors and reservoirs. Some of these have been identified by culture and laboratory transmission. In the third year of these studies another disease was uncovered in insects and rodents, viz. *Chagas' Disease (South American Trypanosomiasis)*, and already one or more vectors and reservoirs of this disease also have been identified by laboratory experiment. Very recently a third infection has been recognised, viz. *Toxoplasmosis*, in that the Government Ophthalmologist has seen 12 human cases of ocular manifestations of the disease; serological tests made in Washington have proved strongly positive for the disease, one sequel of which may be blindness. These experiences in a comparatively small country show the field that exists for alert investigators.

* *Bacillus Calmette-Guérin*.

XII—SOUTH AND SOUTH-EAST ASIA, THE FAR EAST AND THE PACIFIC

Introduction

279. *The last seven chapters have described the measures which the Ministry has been taking to organise the supply of technical assistance from Britain in the different functional fields, including recruitment and training. This work is extremely detailed and involves contact and co-operation with a very large number of bodies and people in Britain itself, in other countries giving technical assistance, in international organisations and in the countries which receive our help. More than half the staff of the Ministry are engaged on this work. It is complemented by the work at home of the geographical departments and the Economic Planning Staff, and abroad of the British diplomatic missions, the British Council and the two Development Divisions in the Middle East and the Caribbean. The end product of all this is the aid given to the developing countries; on the effectiveness of that the success of the Ministry will be judged.*

280. *A detailed account of British aid programmes in the developing countries would be too long for the present paper. The British programme covers more than 100 countries in every continent of the world and varies both in its scope and its volume for the different countries. At one end of the scale is the massive provision of capital for development, accompanied in some cases by substantial budgetary aid; at the other the supply of a few expert advisers or young volunteers or of training places in Britain. This chapter and the three which follow do not attempt to give a comprehensive account of all that we are doing in the different countries. They describe in general terms the main characteristics of our programmes in the four regions with which we deal, covering both financial aid and technical assistance and illustrating what we are doing by means of concrete examples.*

South and South-East Asia, the Far East and the Pacific

281. About a third of British bilateral aid of all kinds is disbursed in South and South-East Asia, the Far East and the Pacific (£53·5 million in 1965). Much of it takes the form of a bilateral contribution to internationally organised aid operations. British aid during the past year has concentrated on these operations; on the special problems of the Indian subcontinent; on the management of a highly diverse technical assistance programme in 25 countries (on which £5·28 million was spent in 1965); and on the overseeing, under the ultimate authority of the Colonial Secretary, of the development plans of dependent territories in the Pacific. The general aim has continued to be to match the aid given to the needs of the development programmes supported and in particular to combine technical assistance with financial aid. This is the case with the Durgapur steelworks and the Bhopal heavy electrical factory; the two biggest single projects Britain is aiding anywhere. They have absorbed loans amounting to about £65 million and £27 million respectively.

International Aid Operations

282. Loans to India and Pakistan account for the greatest part of the aid disbursed (£36·1 million in 1965). These loans make the British contribution to the international aid operations organised by the World Bank through the two aid consortia. The Bank also administers an internationally financed development scheme designed to give effect to the Indus Waters Treaty, providing for the distribution of the waters of the rivers in the Indus Valley system following the partition of the subcontinent in 1947: to this "Indus Basin Development Fund" the British Government agreed to give £34·8 million out of the total of £504 million subscribed internationally in grants and loans by the Bank and eight countries. £3·7 million was spent by Britain in 1965. For Ceylon the Bank in July 1965 and May 1966 promoted international meetings of countries willing to participate in a programme of commodity aid designed to stabilise the economy. Britain pledged support from the start, and the British contribution has included interest-free loans totalling £7·14 million. New consultative groups have been organised by the Bank to consider the economic development of Malaysia and Thailand. British aid disbursements to these countries in 1965 were £5·3 million. A group for Korea was set up in December 1966.

283. As a member of the United Nations Economic Commission for Asia and the Far East, Britain has participated also in the international organisation of aid for the Mekong River Basin (on which we spent £28,000 in 1965), and has become a member of the new Asian Development Bank which started operations in December 1966. The Bank was established by the regional and non-regional members of the Economic Commission for Asia and the Far East, including Britain. Britain has pledged a contribution of U.S. \$30 million, half of which will be called up during the five-year period beginning in the financial year 1966/67. The authorised capital of the Bank is \$1,000 million, of which 65 per cent. is contributed by countries of the region—an earnest of the support which the Bank has received from those countries which will benefit from its operations. Its aims include the promotion of private and public capital for development, with priority to regional as well as to national projects.

284. In Laos Britain has continued to participate with Australia, France, Japan and the United States in the operations designed by the International Monetary Fund to stabilise the economy and a programme for assisting needed British imports continues. £1·3 million were disbursed on these projects collectively in 1965, including a stabilisation loan of £0·6 million. Britain has also contributed to the economic development programmes sponsored by the *South-East Asia Treaty Organisation* in the Philippines and Thailand. The whole of our aid programmes to the countries of South and South-East Asia constitutes the British contribution to the *Colombo Plan* of which there are now 24 members. Some are in the Plan area, others are outside the region. Mutual assistance is promoted in the area. The Members meet annually in the Consultative Committee. We have promised to provide £15 million worth of technical assistance to member countries in the period from 1966 to 1971.

The Special Problems of the Indian Subcontinent in 1965/66

285. The development plans of India and Pakistan, the normal operations of the International Bank's aid consortia and all bilateral aid to these two countries were gravely disrupted in 1965. This was due partly to difficulties over foreign

aid but later and most directly to the hostilities that broke out between the two countries in September. These events coincided with a serious failure of rains, the worst and most widespread of this century in the Indian subcontinent. This placed a heavy additional burden on the overstrained economy of both countries.

286. Under the stress of these anxieties Britain and most other members of the consortia entered into bilateral aid commitments to both countries, but there were inevitable delays related to the hostilities. Some, though fortunately not many, of the experts provided under our technical assistance programmes had either to move away or to be delayed in their assignments. Once the seriousness of the drought and the consequent threat of famine to India was recognised, the United States and others arranged swift and generous shipments of food grains under aid arrangements. Britain, not being a grain exporter, helped here too by paying for some of the shipping costs on food grains from Australia and Canada, for port handling equipment and for commodities needed to maintain local production of essential pesticides, etc.

287. With this external assistance, and in addition £17 million from Britain as an advance on the 1966 aid pledge, India was able to limit the damage being caused by the severe shortage of foreign exchange. By midsummer 1966 meetings of both the Pakistan and Indian consortia had once again been held, with every prospect of returning to regular operation, and further meetings of both consortia took place in November 1966. Meanwhile pledges, particularly of aid for essential imports needed for maintaining developing industries are being made to both countries for the current year.

Development in the Dependent Territories of the Pacific

288. The Pacific territories have been following through their 1965-68 Development Plans, tailored to the availability of funds, largely those allocated under the Colonial Development and Welfare Acts. Fiji has resources of her own, and can raise loan funds for development: nevertheless during the year Colonial Development and Welfare funds were sanctioned for the reconstruction of highways, for the development of forest resources and for a number of other projects; major surveys under the United Nations Development Programme of transport requirements and forest potential have also been negotiated. The principal expenditure in the New Hebrides has been on the improvement of the main airfield and the completion of the secondary school at Vila. A survey of hydro-electric potential in the neighbourhood of Honiara in the Solomon Islands has been carried out, and British staff have been provided in support of a geophysical survey of the Islands being undertaken by the U.N. Development Programme. Much thought has been given during the year to inter-island transport in the Gilbert and Ellice group, the most widely scattered of all our island dependencies, and to employment possibilities for the islanders when the phosphate reserves in Ocean Island are exhausted. In Tonga British funds have been made available under Colonial Development and Welfare Acts for the rehabilitation of coconut plantations and towards the cost of a new wharf. The Ministry has also kept in touch with the work of the South Pacific Commission and with the United Nations Development Programme's South Pacific headquarters.

Kinds of Aid

289. During the period under review, India and Pakistan have expressed the need for more "non-project" aid (i.e. funds not linked to a particular capital project) if necessary at the expense of aid for new development projects. In part, this results from temporary reverses such as those already mentioned. These led to a severe shortage of foreign exchange and caused industrial inventories to be run down and industrial production, particularly in India, to be reduced to an uneconomically low level. But there is also a long-term need for increased "non-project" aid, which results from the massive industrial investment already undertaken. This is generating increasingly heavy demands for imports needed to maintain economic levels of activity. These cannot be financed on an adequate scale from free foreign exchange resources until increased exports result from industrial investment.

290. In Ceylon too, the need has been to help finance the import of essential maintenance supplies to enable the Government to implement the measures of economic stabilisation agreed with the I.M.F. and I.B.R.D. Aid loans have been allocated to particular goods and equipment to be imported from Britain. In addition, under the "Offset" Agreement with the Federal Republic of Germany, part of Germany's aid to Ceylon is being used to buy goods from Britain. In Nepal, where the need is not so much for foreign exchange as for additional local resources, most of British financial aid in 1965/66 (£112,000) was, like technical assistance (£90,000), in the form of grants; but we hope in future to meet more of the local needs by means of commodity loans which will generate the local currency needed for development projects.

291. In several countries in Asia practical schemes are maturing calling for a larger provision for agriculture and small to medium sized industries; tea-growing, animal husbandry, an agricultural centre in Thailand, boat-building on the Mekong for example, in all of which we are interested. Increasingly, efforts are being made to marry British technical assistance in the form of training and the supply of experts with capital aid.

Technical Assistance

292. The varied character of British programmes of technical assistance is illustrated by some examples of what we are doing in some of the countries in the region. Technical assistance to India and Pakistan amounts in total value to over £1.6 million a year. Much of this goes to supplying specialist personnel and training, with particular emphasis in India and Pakistan on the training of teachers of English. For this the British Council is supplied with special funds. The British Council also provides books and periodicals and is assisting with the supply of multiple copies of scientific and technical textbooks for university students. There is an unlimited demand for scientific equipment, books and journals, for which the Governments have great difficulty in providing enough foreign exchange. There are few major technical assistance projects, but among them assistance to the Indian Institute of Technology in Delhi is outstanding (para. 178). Britain has undertaken to contribute £650,000 for equipment for this Institute (over half of this sum has been donated by British industry) and has spent roughly £500,000 on the provision of British academic staff and the training of Indian staff in Britain. Another example is the assistance provided to the newly created Centres of Advanced Studies in India. Gifts of equipment

and a programme of exchange visits between 12 of these Centres and appropriate institutions in this country have been arranged. Aid may later be extended to include other Centres. There is no comparable major technical assistance project in Pakistan where, responding to requests received, our assistance is spread even more widely over a variety of smaller schemes and consultancies.

293. In Malaysia there are about 50 British technical assistance experts, of whom about one-third are filling advisory and other posts in the public service, mainly in finance, law and labour relations. Eleven of them are attached to the Inland Revenue Department, helping the Malaysian authorities in their drive to make the taxation system as efficient as possible—an important requirement in any developing country. Most of those filling Government posts are in fact British civil servants released by their parent Departments for a period of service in Malaysia.

294. Eleven of the first intake of 13 students to take the post-graduate diploma course in advanced engineering at Chulalongkorn University in Thailand passed their examination in March 1966 and went on to study for their Master's Degree. The British team which set up the course now consists of a Professor, four senior engineering lecturers, two laboratory technicians and an English language teacher. In addition three further English language teachers, recruited by the British Council but paid for by the Ministry, are assisting in teaching English to third and fourth year undergraduates of the Engineering Faculty. Four Thai lecturers from the Faculty have arrived in this country to study for postgraduate degrees. At the new University of Chiangmai in Thailand there are now in the Science Faculty four British Senior Lecturers, recruited by the British Council but paid for by the Ministry. We are also providing substantial equipment for the biology laboratories there.

295. Buoys, beacons, echo sounders and navigational markers worth about £28,000 have been supplied for the stretch of the Mekong river from Phnom Penh in Cambodia to the Vietnam border. This completed the system of navigational aids to shipping, begun earlier in the stretch from the Vietnam border to the sea. Three British experts were assigned to the Mekong Committee under Colombo Plan arrangements; a naval architect, a shipbuilding technician and a riverine port engineer. A waterways engineer from the Hydraulic Research Institute also visited the area in May–June 1965 and 1966.

296. A medical team has been despatched to Vietnam's only children's hospital in Saigon. A distinguished children's physician, a consultant surgeon, a pathologist, an anaesthetist and six nursing sisters are caring for the patients in 30 surgical and 40 medical beds, carrying out training and demonstrating professional techniques. They are all learning Vietnamese and performing a host of tasks above and beyond their immediate medical duties.

297. The British medical project in Laos has made satisfactory progress this year. At Thakhek repairs and renovation to the hospital were completed in May 1966, and a programme of hospital extensions is under way. When this is completed next winter the team, now consisting of three doctors, one nurse and a laboratory technician and a young volunteer, will be further enlarged. X-ray laboratory equipment and drugs have been supplied and it is hoped to expand the training provided to local personnel. In Luang Prabang there are two

doctors and a young volunteer. A dentist and laboratory technician are being sought and needed equipment is on order. Internal improvements have been made to the hospital.

298. Under SEATO technical assistance arrangements Britain is equipping three sub-stations to provide animal artificial insemination services in the field. This scheme forms part of the Philippine Government's programme to increase livestock and thus bring about improved food and milk production.

299. Following a visit by the Ministry's Tea Consultant in 1964, the Nepal Tea Development Corporation was set up in 1965. Previously neglected tea gardens in Eastern Nepal believed capable of growing tea of high quality are being operated by the Corporation with the help of two British advisers (an Executive Director and an Estate Engineer) to supervise factory installation and maintenance, and the building of roads and bridges required to move tea for export. The Director has already arranged for storage, shipment and marketing of export tea, and the gardens have been cleaned and replanted.

300. Following a visit by the Ministry's Adviser on Land Drainage and Irrigation to Fiji plans were completed for an application to the United Nations Development Programme for a survey of the left bank of the river Rewa to provide a 300 acre pilot rice growing project: also a 300 acre irrigation scheme for demonstrating irrigated farming suitable both for smallholders and plantations in the Wainikavik Creek Valley.

XIII—MEDITERRANEAN AND MIDDLE EAST

301. Roughly a sixth of British bilateral aid of all kinds is deployed in this area (£28·5 million in 1965), the major programmes being in Malta (£5·7 million), Turkey (£7·1 million), Jordan (£2·9 million), and South Arabia (£9·4 million). The characteristics of these programmes as shown by the operations of the past year are very different, ranging from those which are in one way or another international (Turkey, Jordan) to those which are self-contained British programmes (South Arabia) or nearly so (Malta).

302. The main programme in the Mediterranean area is in Malta, designed to help with the development plan drawn up before independence. It takes account of Malta's need to compensate for the decline of the Islands as a major defence base. Aid, which is provided under the terms of the Anglo-Maltese Financial Agreement of 1964, is directed towards financing the parts of the Malta Government's development plan which aim to improve the Island's economic and social infrastructure, to foster industrial development and to promote tourism. Technical assistance, such as the comprehensive mapping programme which the Directorate of Overseas Surveys has in hand, is geared to the same objective.

303. The Financial Agreement provides that £51 million in grants and loans is to be made available to Malta over the ten-year currency of the Agreement. The Malta Government's present development plan is concurrent with the first five years of the Financial Agreement, which lays down in some detail how and for what purposes British aid is to be made available during this period. During the past year arrangements with the Malta Government for the detailed implementation of this Agreement have been carried forward.

The Middle East

304. While the distribution of British aid in the Middle East region is largely the result of past history, aid is now being concentrated on those countries which have the greatest need and at the same time offer sound development prospects. Most of the countries in the area have their feet well on the development ladder, but the unequal distribution of natural resources, especially of oil, means that there are still great disparities between the well-endowed States and their poorer neighbours. All the countries concerned have certain common deficiencies: aridity and erratic rainfall, deteriorating soil fertility, low productivity and the difficulties which such conditions inevitably generate. There is therefore a certain similarity of economic problems which aid is designed to overcome.

Middle East Development Division

305. From the Ministry's point of view a helpful unifying factor is the presence in Beirut of the Middle East Development Division (para. 88) which celebrated its 20th birthday this year. With the expansion of the British aid programmes

during the last few years, the Division's role has been increasingly to advise the British Government, in agreement with the Heads of British Missions in the countries concerned, on the scale and content of its programmes. But at the same time it advises the Governments directly on the preparation of projects which may be financed from these programmes and in so doing it is able to engender a high degree of co-operation between donor and recipient. The Division has Advisers on Economics and Statistics, Agriculture, Veterinary and Animal Husbandry, Forestry and Soil Conservation, Engineering and Industry and Technical Education.

International Co-operation

306. Britain is by no means the only donor of aid to the Middle East, and it is the aim of policy to secure the maximum possible co-operation between donor countries in the provision of aid. For example Britain has played and continues to play a full part in the work of the Turkish Consortium of the O.E.C.D. Britain stands third in the list of the Consortium donors and supplies more aid to Turkey than to any other non-Commonwealth country. The Consortium provides a forum for discussion among the donors and with representatives of the Turkish Government and for assessments of the progress of the Turkish economy, but each member Government's aid to Turkey is on a bilateral basis.

307. Another example of international co-operation in the area is the technical co-operation programme of the *Central Treaty Organisation*. The meetings of the CENTO Economic Committee and subordinate bodies provide opportunities for the representatives of the regional countries (Turkey, Iran and Pakistan) to discuss with each other, and with British and American representatives, economic and technical problems of common interest; 28 such meetings have been held during the last 12 months. Since April 1965, Britain has pledged a contribution to the CENTO programme of £1 million a year, and by March 1966 a total of some £5,800,000 had been spent since the inception of the programme in 1956. A high proportion (£450,000 each year) has been allotted to the provision of equipment for certain joint projects for the development of regional communications approved by the CENTO Council of Ministers; a high frequency telecommunications link between London and the Countries of the region has just been brought to completion at a total cost over the years of approximately £730,000. In 1966 a £600,000 programme of deliveries was completed of British road-making equipment, supplied to the Pakistan Government to help with the construction of an East-West road to open up the Makran area and link up eventually with Iran. A similar programme in South-East Turkey was initiated at a cost of £250,000.

308. At its last meeting in London in March 1966, the Economic Committee recognised that there is now diminishing scope for new communications projects and agreed on new, more flexible, guidelines for the future. Support was proposed in particular for national institutions which can also serve the interests of the other region countries. The same meeting agreed that the CENTO Research Institute of Nuclear and Applied Science, to which the British Government had contributed scientific staff and two-fifths of the running costs, should be wound up. It is being replaced by national research groups working (again with British help in the shape of experts and equipment) under the

auspices of the Organisation's Council for Scientific Education and Research. CENTO's Multilateral Technical Co-operation Fund, which finances exchanges of technical experts between the region countries and to which all members of the Organisation contribute, was increased last year as the result of British proposals.

The Mobilisation of Local Resources

309. The mobilisation of local resources is an ultimate aim of development planning. It is satisfactory to report that in the Trucial States the Rulers have set up their own Development Fund, to which contributions have been made by the Rulers of Abu Dhabi, Bahrain and Qatar and which Britain has supplemented. In 1965 the British Government pledged a contribution of £1 million to this Fund for capital development; first call on this contribution has been the construction of a road linking Dubai and Sharjah—a road which is being continued northward at the expense of the Government of Saudi Arabia. This grant is in addition to the £200,000 already provided annually for various technical assistance and welfare schemes. A noteworthy contribution has been a mineral survey conducted by the Overseas Division of the Institute of Geological Science.

Progress Towards Independence—South Arabia

310. In contrast with the countries mentioned in the preceding paragraphs, aid to South Arabia is provided by Britain alone. Until the summer of 1966, the Ministry had been responsible only for development aid provided under the Colonial Development and Welfare Acts and for technical assistance; budgetary support was the responsibility of the Colonial Office. At the same time that ministerial responsibility for Aden and the Protectorate was transferred to the Foreign Office, the Ministry assumed responsibility for budgetary aid.

311. South Arabia is poorly endowed with local resources and the local revenue of the Federation and other parts of the Protectorate is at present insufficient to meet the costs of administration or of education and other social services. Britain has recognised the need to provide financial and technical assistance to assist the Federation and the rest of South Arabia to make the transition to full independence by 1968 with an appropriate structure of administrative services. During April of last year, two economists (one from the then Colonial Office, the other from the Ministry's Economic Planning Staff) visited South Arabia to advise Federal Ministers on the appropriate financial and economic measures which they might take in order to deploy to the best effect their own resources and the aid they have from Britain.

312. Grants have been provided annually to meet deficits in the Federation's budget, and for 1966/67 Britain has agreed to support a budgetary deficit of up to £5.1 million. Other grants and subsidies totalling some £1.5 million have been made to individual States of the Protectorate of South Arabia and the Islands. Grants are also available under the Colonial Development and Welfare Acts for projects for the development of local resources (particularly agriculture, water supplies and fisheries) and of the social services, such as health and education. Total disbursements of budgetary and other financial aid (exclusive of military aid) and for technical assistance are expected to total not less than £10 million in 1966/67.

Kinds of Aid

313. In many Middle East countries the techniques of development planning are well established, so helping the Ministry in making its assessment of each country's requirement. In Turkey the first five-year Development Plan (1963/67) has made possible a noteworthy advance of the economy and the Turkish Government is already well ahead with its preparation of the second plan. Turkey's major problem has been to cope with a severely adverse balance of payments while putting her development plan into effect. To help with this, Britain has provided since 1963 a total of nearly £17 million to enable her to import essential goods; the latest contribution, made in fulfilment of a pledge given in the O.E.C.D. Consortium in February 1966, was an interest-free loan of £3 million. We have also, in common with other members of the Consortium, postponed for five years the repayments due between 1964 and 1969 of the principal and interest (totalling about £4·2 million) on our 1958/59 Stabilisation Loan and we are providing over the years 1965-67 a sum of just over £5 million as part of an international effort to help relieve Turkey of her burden of external debt, which, relative to her resources, is one of the heaviest in the world. We have provided project loans totalling £3 million in 1965 and 1966 to meet the sterling costs of the construction of a Polythene and a PVC Plant. As the Turkish economy develops, it is expected that the volume of new capital aid on concessionary terms which the Consortium will be called upon to provide each year will gradually decline.

314. In Jordan the need is not only to set right the balance of payments, but to raise enough internal revenue to meet expenditure on the Government's current and development account. For some years, therefore, in association with the United States Government, Britain has been providing untied direct grants in support of the Jordan budget (Jordan is the only country outside the Commonwealth to be helped in this way). The British contribution in 1966/67 amounted to £1·3 million, £100,000 less than in 1965/66, and it is hoped that the need for this assistance will decrease as the Jordanians make progress in mobilising their own resources. Interest-free loans have been provided for development projects in Jordan since 1949. Projects for electrification, water supplies and irrigation which had been studied and worked out in detail in earlier years are now being implemented, so that at the present time less development aid is going into pre-investigation, feasibility and other studies, and more into productive development. Jordan also provides good illustrations of the Ministry's policy of linking technical assistance with capital aid. Of the 12 British experts working in Jordan under the Ministry's auspices in 1966, four were working with the Natural Resources Authority on water supply, which Britain is assisting financially, and four with the Ministry of National Economy to help in the establishment of the Jordan Electricity Authority, also aided financially by Britain.

Technical Assistance

315. Technical assistance is usually a more urgent need in the Middle East than financial aid. Countries such as Saudi Arabia, Iraq, the Lebanon, Syria and Bahrain command sufficient financial resources for their development, but as yet insufficient qualified personnel, and in recent years the British technical assistance programme has increased substantially. In the past year there have

been about 100 British experts in the field apart from the staff serving under O.S.A.S. arrangements (para. 120) in South Arabia; and there are up to 200 trainees studying in the United Kingdom at any one time.

316. The services provided range widely, from experts on Town Planning and Agricultural Marketing in Cyprus to Advisers on the Postal Services in Iran and Iraq. A noteworthy feature of the Middle East programme has been the use of teams from British universities, who themselves benefit from field experience while providing a useful service. In 1966 soil scientists from Durham University made their fourth expedition to Jordan under the Ministry's auspices, and plans have been made for another team from Durham to conduct a survey of land use and agricultural resources in the Trucial States. The Ministry's policy is to concentrate where possible in particular areas of development. One of Iran's basic needs, for example, is to make the best use of her limited water resources. Her plans include two projects, a Water Master Plan Bureau and a Hydraulics Research Station, which Britain has agreed to assist. A team of experts seconded from British consultant firms is to be sent to the Bureau, and the services of consultants are being offered to help in planning the Hydraulics Research Station and to advise on the equipment it will need, much of which the Ministry will provide as a gift.

317. To help the training of the younger generation in technological knowledge at all levels, the Ministry last year formalised the support that has long been given to the Middle East Technical University in Ankara into a long-term programme costing about £50,000 a year in the form of British experts and equipment. In Syria we shall soon have completed the first stage of equipping a Textile Training Centre in the Aleppo Polytechnic, where British experts have been working since 1963, and the UNESCO project for the establishment of a Technological Institute in Damascus is being supported with British instructors. The main technical assistance contribution to the Trucial States remains the two Trade Schools in Dubai and Sharjah, for which we provide teaching staff and the greater part of the running costs. Finally South Arabia received technical assistance to a present annual cost of nearly £600,000—chiefly through the provision under the Overseas Service Aid Scheme of administrative, professional and technical staff to fill posts in the local public services. These officers (of whom there are about 400 in post) provide administrative and professional expertise which is not yet available to the necessary extent; they are engaged also in providing advice to the local governments and training to local officers in preparation for independence.

XIV—CARIBBEAN AND LATIN AMERICA

318. Over £11 million or one-sixteenth of our bilateral aid went to this geographical area in 1965. Programmes in Latin America on the one hand and the Caribbean on the other are entirely different in scope and scale. Aid to the British dependent territories of the Caribbean began as long ago as 1929 and has been very largely in grant form. Britain, as the metropolitan power, was until recently the only, and is still the largest, donor. But Canada is fast increasing her aid and the United States and United Nations aid organisations are helping too. In Latin America, on the other hand, development assistance comes overwhelmingly from the United States and from the international institutions, and it was only in early 1962 that a modest British aid programme was begun. In the Caribbean British aid has for long been, and remains, fundamental to the future development of the region and is provided over the whole range of government activity. In Latin America, the resources available permit little more than a demonstration of the Government's wish to help. Activities are concentrated in fields where Britain has something of special value to offer.

The Caribbean

319. During the 10 years 1955–65 the British Government has disbursed economic aid to the Commonwealth countries of the Caribbean, independent and dependent, totalling over £100 million. In 1965 it amounted to £8·8 million. The bulk goes to the still dependent territories in the form of development grants under the Colonial Development and Welfare Acts and, for those territories which are unable to balance their budgets without assistance, as grants-in-aid of administration. Colonial Development and Welfare allocations of £11·3 million for the period 1965–68 were announced during the year; an increase of nearly £2·8 million over the previous three-year period 1963–66. In addition technical personnel are provided through the various schemes described in Chapter VI. The Commonwealth Development Corporation (Chapter II) with a total investment in this area of some £14 million, provides a source of finance for commercial, industrial and agricultural investment, often in association with the local governments.

British Development Division in the Caribbean

320. Important developments towards the improvement and rationalisation of the British aid programme in the area took place during the year. In February the newly created British Development Division in the Caribbean was opened in Barbados (para. 88). The staff of the Division, which is an outpost of the Ministry, consists of an administrative Head, economic, agricultural, educational and engineering advisers, and two financial advisers. Its functions are to advise the Ministry on the scope and content of its aid programmes to the area and to provide technical advice to the governments of the area, particularly (though not exclusively) in connection with the formulation and co-ordination of

development projects. The services of the Division will be available to all countries bordering on the Caribbean, both Commonwealth and foreign, but initially its main task will be to help the small islands of the Eastern Caribbean.

Tripartite Economic Survey

321. The re-appraisal and re-shaping of the British aid programme in that area will be greatly assisted by the report of the Tripartite Economic Survey of Barbados, the Leeward and Windward Islands. This mission, appointed jointly by the British, United States and Canadian Governments, studied the economies of the eight islands between January and April 1966. Its terms of reference were to formulate plans for the achievement of economic viability and to suggest priorities for the next five years. The report, which was distributed to governments in June 1966, outlined a growth strategy for the area, indicated the main restraints on growth and how they might be overcome, and commented on the main development projects in each island. Its main conclusions were first that tourism must be the major growth industry in the islands in the future and secondly that to achieve maximum growth in this and other fields of economic activity, there must be full regional co-operation. The mission recommended the establishment of a Regional Development Agency under the joint sponsorship of the British, United States and Canadian Governments. Its report is being carefully studied and a meeting to discuss its proposals took place between the three sponsoring Governments and the Island Governments in Antigua at the beginning of November. At this meeting the Island Governments decided to set up a Regional Development Committee, with which the sponsoring Governments would be associated; and it was also decided to initiate a study of the possibility of establishing a regional financial institution for the development of the Caribbean countries.

322. Total aid to *Barbados, the Leeward and Windward Islands, the Cayman Islands, the British Virgin Islands and Turks and Caicos Islands* in the financial year 1965/66 was over £4 million and represented about £5 10s. per head of population. Of this nearly £2 million was budgetary aid supplied to some islands in support of ordinary Government expenditure and administered by the Colonial Office; for the Associated States of the Leeward and Windward Islands, however, this responsibility will pass to the Ministry when the new constitutional arrangements take effect. Revised arrangements for the administration of budgetary aid more suited to the changed constitutional position of the islands are being made. Technical assistance (including the provision of personnel) accounted for £484,000. Financial aid amounted to £1.6 million. Much of this was given for communications, especially airfields and roads which are essential for developing the tourist industry. Higher education in these islands is to be assisted by the establishment in Barbados of a new college, part of the University of the West Indies, the foundation stone of which was laid in 1966 (para. 169).

323. In British Honduras disbursements of Colonial Development and Welfare grants in 1965/66 totalled £356,000. We have undertaken to provide in all £3,625,000 towards the new capital, which is to be built inland following the Belize hurricane in 1961. A new appraisal of the country's economy and its growth potential was carried out in 1966 by a team of economists from Britain, Canada and the United States. Medical research work in British Honduras is reported on in Chapter XI.

324. In Guyana, formerly British Guiana, support for an interim development programme for 1965 was provided in the form both of Colonial Development and Welfare grant money and Exchequer loans. Major works qualifying for support from Colonial Development and Welfare funds were for sea and river defences. Exchequer loans taken up in 1965/66 amounted to £1.25 million.

325. During the year the Guyana Government appointed a team under the leadership of Sir Arthur Lewis to advise on the formulation of a new development programme, with two British members of this team financed under technical assistance. Members were also provided by the United States and Canada and by the United Nations. The team's recommendations resulted in the drawing-up of a seven-year development programme for the period 1966-72.

326. In March 1966 discussions with the then British Guiana Government resulted in an offer by Her Majesty's Government of assistance amounting to just over £3 million for 1966/67. Of this sum £1.45 million is in the form of development grants and loans, and up to £1 million as a budgetary grant in support of Guyana's 1966 budget. A Colonial Development and Welfare allocation of £350,000 in support of the University of Guyana was made during the year. A British architect to advise on preliminary planning for the University was financed from technical assistance funds.

327. Help towards the establishment of the new Guyana Diplomatic Service was provided by a training course organised in Georgetown in January 1966 which was financed under technical assistance funds. Among other officers whose services were provided under technical assistance was one to advise on rice storage, which has become a particularly difficult problem in view of the large accumulation locally of stocks of rice.

328. Aid to Jamaica is provided through technical assistance. The employment of 189 men and women was financed in whole or in part from technical assistance funds during the year. For the Jamaica Standards Bureau, where a British adviser has been employed since February 1964, we have agreed to provide equipment to a value of over £50,000. Help was given towards the re-organisation of the Kingston and St. Andrew Corporation by sending two experienced municipal officers to advise and report. In November 1965, a three-man team visited Jamaica to discuss productivity questions with employers and trade unionists and to conduct a seminar on productivity. A feasibility study is being financed by the Ministry for the construction of a dam at Mahogany Vale on the Yallahs River, which will enable an additional 32 million gallons of water a day to be provided for the Kingston area.

329. In Trinidad a loan has been agreed of £1.2 million repayable over 25 years for the purchase of bus bodies and chassis. The establishment of a public transport undertaking was assisted by providing under technical assistance a General Manager, a Traffic Manager and a Chief Engineer. A British adviser on port management was appointed to the Trinidad Port Authority under technical assistance. Last year the Ministry financed wholly or in part the employment of 35 men and women on professional assignments in Trinidad.

Latin America

330. In recent years Britain has embarked on a more active policy in Latin America, both to strengthen British links with the area and, through an aid contribution, to demonstrate support for the objectives of the Alliance for Progress. In 1962 the British Government began providing aid for specific projects and at the same time initiated a small programme of technical assistance which has grown to its current level of about £650,000 a year. The Ministry works very closely with the British Council, which has for many years had representatives in Latin America and which, besides its important cultural role, is particularly active in English Language teaching and scientific education.

331. Although the countries in this area differ greatly, there are some general problems common to all. The population explosion, with a growth rate of 2.9 per cent. in the 1960s—possibly the highest for a comparable area anywhere in the world—has been such that, although the rate of economic growth is somewhat better than that of the developing countries as a whole, the growth of *per capita* income has been less. Heavy pressure results on available land and upon resources available for social purposes. This has pointed to agriculture and technical education as subjects on which Britain, well qualified to help, should try to concentrate. The aim is to concentrate as far as possible on integrated projects—those for which, in co-operation with the local government, the Ministry supplies a small team of experts from this country, provides equipment for training or research and trains in this country local counterparts who will eventually be able to take over from the British experts.

Samples of Technical Assistance

332. In Bolivia, since 1963, a team of British agricultural experts has acted as advisers to the Ministry of Agriculture on the development of low altitude agriculture. They now number 10, covering such subjects as soil surveys and conservation, entomology, pasture ecology, veterinary science and co-operatives. They have been supplied with some equipment and the Ministry contributed to the cost of a laboratory and office building used jointly by the British and United States agricultural missions and the regional staff of the Bolivian Ministry of Agriculture.

333. In Chile finance is being provided for feasibility surveys for irrigation projects; workshop equipment to a value of over £100,000 for the Anglo-Chilean Skilled Workers' Centres in Valparaiso and Santiago; and saw-milling equipment for use by British instructors at the Forestry School in Concepcion. To commemorate the visit of the Chilean President to London in July 1965, a gift of equipment and books has been made. The equipment consists of six mobile cinema vans for community development, and several thousand books are being presented to six university institutions chosen by the Chilean Council of Rectors.

334. We have also provided workshop equipment costing about £150,000 for the centre of the National Apprenticeship Training Service (Senati) at Lima in Peru and three experts to install the equipment and to carry out instruction. Four trainees from Senati have completed one-year courses in the United Kingdom. Offers from other European countries have followed. Five British geologists are working with the Carta Geologica Nacional (National Geological Survey) on the preparation of a basic geological map and helping to train their

Peruvian colleagues (para. 222). We are providing a wild-life conservation expert, who also recently visited Ecuador to take part in a survey financed under technical assistance of nature conservancy problems in the Galapagos Islands.

335. In Colombia a team of three British experts are working at Bucaramanga, where the Colombian Apprenticeship Training Service (S.E.N.A.) are establishing a regional Foundry Centre. The Centre has been designed by the leader of the team, who will stay on to act as its Principal for about two years. Half of its equipment will be provided by the Ministry at a cost of about £25,000. In the south of the country, at Pasto, we are again collaborating with S.E.N.A. in the establishment of a National Sheep Farming and Cottage Weaving Institute. Four British instructors are being appointed and a gift of £20,000 worth of equipment includes a number of sheep and sheep dogs. Here again Colombian counterparts to the British experts will be trained in this country to take over the posts after two or three years.

336. In Central America, development policy is to concentrate on schemes which benefit the area as a whole. The most ambitious scheme is the *Instituto Tecnológico Centroamericano*, in San Salvador, referred to also in Chapter VIII. Three British experts, a Principal and two Heads of Department, will take up their posts early in 1967, and we have agreed to make a capital grant towards building costs and also to provide equipment to a value of £50,000. We are assisting in the design of the *Instituto*, in the training of its staff and in the provision of a substantial nucleus of books for a library.

337. Programmes in Mexico, Brazil, Argentina and Venezuela are limited but include some very sophisticated individual projects. Mexico has been presented with the complete equipment, valued at more than £20,000, for an educational television studio. A close relationship between the British Atomic Energy Authority and the Mexican Nuclear Energy Commission has been established; the M.N.E.C. has accepted the gift of a set of manipulators, protective windows and periscopes for a nuclear "hot cell"; British experts visit Mexico and several Mexican postgraduates are studying in Britain. Projects undertaken for Venezuela include a hydraulics model study of the effects of various steps to be taken in the reclamation of the Amacuro Delta, which is probably the largest single land drainage scheme at present being undertaken anywhere in the world.

338. In December 1965, 160 students and trainees from Latin America were studying in Britain at the Ministry's expense. The six-month course in Public Administration at Manchester University specially arranged for senior officials from Latin America is well supported.

Financial Aid

339. Financial aid disbursements in 1965/66 amounting to nearly £3·5 million were made from re-finance loans of £4·1 million to Brazil and £3 million to Chile under Agreements signed in October 1964, and November 1965 respectively, and from a general development loan to Chile agreed in 1963. Under a similar agreement signed in September 1966, Her Majesty's Government is making a re-finance loan to the Argentine Government of a sum not exceeding £3½ million. In 1966 an agreement was signed with Ecuador for a loan of £600,000, of which £370,000 is for the first stage of an electricity generation and distribution project in the north of the country.

340. The British Government attaches importance in aid programmes in Latin America to working with and through inter-American organisations. It is co-operating with the Organisation of American States in providing training in this country for people from Latin America; the Organisation pays their fares and Britain meets the cost of tuition and living expenses. The O.A.S. has also undertaken the identification, preparation and presentation of a number of technical assistance projects which the Ministry will implement. Britain entered into an agreement with the *Inter-American Development Bank* in April 1966, to provide through the Bank up to £4.1 million in loans for development projects in Central and South America to be jointly agreed by the Bank and the Ministry of Overseas Development.

XV—AFRICA

341. Africa receives more British aid than any other continent. It accounted for about 46 per cent. of the total bilateral programme in 1965 or £81 million. The programme is about one-quarter technical assistance and three-quarters financial aid, the latter more or less equally divided between grants and loans.

342. The developing countries in Africa share the problems of poverty found in all economically backward countries. But there are certain differences in their circumstances which affect the type of aid given and which in turn give rise to special problems. Some of these are discussed in this chapter; essentially they arise from the fact that many African countries have come to political independence with their natural resources and economies less developed than some other parts of the world and with insufficient numbers of trained men and women. At this stage many of them need large numbers of technical experts and specialists from outside to help in keeping the wheels of government turning, in educating and training local people and in providing the basic services for development. Some of the poorer countries have such a small taxable capacity that they need financial support for their recurrent budgets. Their resources of foreign exchange are often so limited that untied local cost aid has to be given as well as aid tied to the direct import of supplies.

343. In 1965, £77 million of the total programme for Africa of £81 million went to Commonwealth countries. The main reasons for this are Britain's special association with these countries, the ties of language, similar educational, administrative and legal systems, and a history of aid relationships going back over many years. It is also the case that other donor countries tend to regard aid to Commonwealth countries as a particular British responsibility—in some cases Britain is virtually the only external donor, although we warmly welcome the participation of others, as do the African countries themselves. Aid to foreign countries has been limited because of the overall limits to the aid programme; but nearly £4 million of financial aid and technical assistance was made available to them in 1965, the main beneficiary being the Sudan.

344. Our most significant effort in helping the developing countries of Africa continues to be the supply of skilled staff to help man their public services until their own trained people are available. The demand for professional and technical staff continues to grow and, despite a growing number of recruits, British sources are unable to meet all the demands made on them. The capacity of African countries to develop over the next few years will depend very largely on finding skilled manpower to go and work there and people from other countries as well as Britain will continue to be welcomed. Engineers, architects and technicians to plan and carry out the development projects are often more difficult to get than the capital resources.

Technical Assistance Personnel

345. The employment of a large number of expatriate staff places a great financial burden on the employing governments since an expatriate inevitably

costs more than a local officer. Under the Overseas Service Aid Scheme (Chapter VI) the Ministry reimburses the governments of the Commonwealth countries in East and Central Africa, of the Gambia and of Lesotho, Botswana and Swaziland, with most of these extra costs and in 1965 spent £15.2 million in this way. On 1st January, 1966, there were about 8,000 British O.S.A.S. staff in Africa, as compared with some 8,500 on the same date in 1965. We have also agreed to top up the salaries of (so far) about 860 officers serving the Nigerian Government, 100 in Sierra Leone (para. 124) and some 300 British teachers for Ghana. Arrangements covering British teachers in Nigeria only are described in para. 125. In some of the non-Commonwealth African countries, the Ministry is supplementing the salaries of a number of officers under technical assistance arrangements. Discussions are now going on with the governments concerned about the detailed application of supplementation arrangements covering British staff outside government service. This scheme is described in Chapter VI, paras. 128 and 129.

Consultants

346. Besides providing operational staff in the ways described above, the Ministry secures the services of firms of consultants to carry out feasibility surveys and of individual advisers and other experts in specific fields. Two hundred and eighteen such people were sent to African developing countries in 1965. Britain co-operated with the Canadian Government in commissioning a joint survey for a new rail link between Tanzania and Zambia at the request of the Zambian and East African Governments. This was carried out in 1965/66 by a consortium of British and Canadian firms of economic and engineering consultants. In West Africa an agricultural/engineering survey was undertaken of the possibilities of a sugar industry in Sierra Leone. Town planning consultants have prepared a development plan for Kaduna in Northern Nigeria.

Aid in Planning

347. The Ministry has helped in building up the economic planning machinery in African countries, though the grave shortage of qualified people in this sphere has been a severe handicap. In 1965, Lesotho, Botswana and Swaziland were provided with planning units of statisticians and economists recruited partly by the Ministry and partly by the United Nations. A British economist temporarily filled the post of Chief Planning Economist for the final stages in the preparation of Uganda's latest development plan. Another British economist was sent to establish an Economic Planning Unit in Mauritius, and staff have been recruited for the Ministry of Development and Planning in Malawi. We are also subsidising a number of young economics graduates selected by the Overseas Development Institute who are spending two years working for African Governments.

Economic Missions

348. In order both to help developing countries with their economic planning and to set a framework within which British aid can most effectively be given, increasing use has been made of economic missions sent from Britain with the agreement of the overseas governments concerned to examine and advise on local development problems. The reports of these missions, which usually consist of officers of the Ministry and experts drawn from the professions and

the Universities, often form the basis of discussions preliminary to the negotiation of a long-term aid commitment to the country in question. In Africa in 1965 one such Mission visited Basutoland and Bechuanaland, as they then were, and Swaziland and made recommendations for five-year programmes of development in each country: the reports on Basutoland and Bechuanaland have formed the background to British forward aid planning for these countries for the period 1967-70. Another smaller mission visited the Gambia in December 1965 and the report will be considered when future aid is discussed with that Government. Further missions went to Malawi and to Tanzania. After consideration of the report on Malawi, British budgetary and development aid was committed for the period 1966-68. Another mission which examined land transfer problems in Kenya is referred to in para. 354 below.

Financial Aid for Development Projects

349. Commitments of financial aid over the past 12 months have as far as possible taken the form of loans tied to the purchase of British goods and services. But in the poorer countries this is not always possible. Their development plans are largely concerned with agriculture, education, and public health, in which the direct import content of projects is relatively small. They lack the taxable capacity and the financial institutions necessary to raise the local funds themselves. To insist therefore on all aid being tied to British goods and services would distort development plans towards less essential and less economic projects with a high import content at the expense of the more urgent and more economic projects.

350. For these reasons, an exceptionally high proportion of British aid to Africa has been untied. Thus, of the £3 million interest-free loan made to Kenya in 1965/66, 58 per cent. was applied to local costs. In Uganda the proportion is 34 per cent. and in Malawi there is no fixed limit on the amount of British development aid which is used for local costs. Where Britain's share of the developing country's normal imports is relatively large, a larger part of the sterling provided "untied"—for local costs of development projects—may return to this country in the form of increased purchases of general imports. Where we are providing significant amounts of local cost aid, it is the practice to reach an understanding with the recipient governments that their normal government purchases on recurrent account shall be made from this country. The Ministry also agrees with the recipient government the exact purposes for which the aid is to be used and, where appropriate, requires the works to be supervised by British firms or consultants.

Budgetary Aid

351. Aid policies towards independent countries in Africa have had to take account of the need in some cases for budgetary aid. Some former Colonies have attained independence without being able to raise from their own resources sufficient revenue to meet their essential recurrent expenditure, let alone provide any margin for development. Malawi, which became independent in 1964, was the first country in Africa to present this problem and for the three years 1966-68 Britain has undertaken to provide, in addition to development aid, budgetary aid within a maximum of £5.3 million a year, the actual amount being negotiated annually (up to £4.6 million will be provided in 1967).

Similarly the Gambia received £642,000 of budgetary aid in the period 1st January 1965 to 30th June 1966. The British Government is also supporting the recurrent budgets of Botswana and Lesotho to the extent of £2.25 million and £2.75 million respectively in the financial year 1966/67, and has offered to continue to provide this type of support for the following three years, in addition to providing development aid.

352. The provision of budgetary aid poses awkward problems both for Britain and for the countries concerned. The need to examine the budgets of independent countries calls for understanding and patience on both sides and a shared objective to eliminate the need for external aid of this kind at the earliest moment. In general this can only be done by promoting further development to provide additional taxable capacity, so we are confronted with a situation in which more money is needed in the short run in order to reduce the need in the long run. We hope that other donors will be willing to help by providing aid for development in these countries.

Land Transfers and Settlement

353. An unusual type of British aid to Africa has been the financing of major schemes of land transfer and settlement in Kenya. One of the main factors affecting the history of modern Kenya has been the existence of a large European farming community which in the past enjoyed exclusive rights to own land in the scheduled areas. Starting in 1961 and 1962, when Kenya was progressing towards independence, several schemes for the transfer of mixed farming land from European to African ownership were put into operation, with a view to increasing African participation in all sectors of Kenya's economic life and satisfying the aspiration to land ownership among the landless and unemployed. The British Government agreed to provide over £22 million for these schemes, of which the largest is known as the Million Acre Scheme, in the form of loans and grants. In addition, loans of £3 million were provided during 1963-66 for the Kenya Land Bank and Agricultural Finance Corporation to assist land transactions outside the settlement areas. With the completion in 1966/67 of the land purchase programme of the Million Acre Scheme, the question arose whether a further scheme of land transfer was required.

354. A mission led by Mr. Maxwell Stamp accordingly visited Kenya early in 1965 at the request of the British Government and with the agreement of the Kenya Government, and its report, which recommended that a programme of land purchase should continue but at a much reduced level, was discussed by representatives of both Governments in November 1965. The British Government was anxious that the funds available for aid to Kenya should be deployed so as to make the maximum contribution to its economic development. The Kenya Government for its part urged that politically there was great need for a continuing programme of land transfer for which British assistance was required. The British Government, recognising this need, made the Kenya Government an offer, which was accepted, of interest-free loans intended to lead to disbursements of £18 million between 1966 and 1970 both for land transfer and for general development. It is estimated that just over one-third of this sum will be spent on financing the annual transfer of 100,000 acres of mixed farming land and the balance will be devoted to general development, including land consolidation.

Education

355. An account is given in Chapter VIII of British aid for higher education. Much of this is directed to Africa, especially Commonwealth Africa, where many of the universities and technical colleges have been founded and developed with British capital. For example, up to the 31st March, 1966, Britain had committed approximately £3.5 million to Makerere University College in Uganda and £1.7 million to University College, Nairobi. Nearly all these funds had been disbursed by that date. £1 million has been promised to help develop the new University of Zambia and a similar amount for the new University of Malawi. The British Government has made a £5 million capital grant for post-secondary education in Nigeria, the bulk of which is still to be spent. Capital grants of £675,000 for the period 1963-66 have been allocated to the University of Botswana, Lesotho and Swaziland, which is sited at Roma in Lesotho. In non-Commonwealth Africa, assistance by the provision of staff and equipment has been given to the Universities at Khartoum, Addis Ababa, Monrovia, Yaoundé and Abidjan.

356. Chapter V describes the help in recruitment and the general academic advice given by the Inter-University Council and the Council of Technical Education and Training for Overseas Countries, whose budgets are financed by the Ministry. Financial help with short-term appointments of British staff, the provision of British external examiners for African universities, and encouragement to the development of informal links between institutions of higher education in this country and Africa are all dealt with in the context of Commonwealth Education activities and are described in Chapter VIII.

Regional Development Schemes

357. The Ministry promotes regional, as well as national, development. Many problems can be solved more economically by co-operation between neighbouring developing countries than by individual and perhaps unnecessarily competitive efforts. In Africa the leading organisations promoting the regional approach are the *Organisation of African Unity*, the *U.N. Economic Commission for Africa* (which co-operate with each other in the study and encouragement of regional schemes of development) and the *African Development Bank*, which began its operations in July 1966.

358. The Economic Commission for Africa is partly supported through British contributions to United Nations funds: in addition, we accept requests from African Governments for technical assistance in connection with regional projects sponsored by the Economic Commission for Africa. We have, on occasion, given technical assistance directly to E.C.A. to help in implementing such projects: for instance, in 1965 the Ministry financed a British study of steel industry prospects in East and Central Africa for discussion at an E.C.A.-sponsored conference on economic co-operation in East and Central Africa held in Lusaka in October/November 1965. British technical assistance has also been given to joint development projects controlled by the Scientific, Technical and Research Commission of the Organisation of African Unity.

359. Britain has promised financial and technical assistance to the African Development Bank, the extent and nature of which has still to be negotiated, but it has already been agreed that some of it shall be available for the provision

of British consultancy services. Technical assistance has also been given to the East African Desert Locust Control Organisation maintained by East African Governments in concert, and the Ministry has also provided the services of a Director and Assistant Director for the East African Administrative Staff College. We are continuing to contribute both money and personnel to the research organisations operating under the East African Common Services Organisations. We have also provided experts under technical assistance arrangements to assist the Philip Commission which has been examining the question of setting up an East African Community.

Links between Projects and Technical Assistance

360. In Africa, as elsewhere, the Ministry's policy is to secure co-ordination of financial and technical assistance. Apart from the provision of economic missions to assist with their development planning, as described in para. 348, there are now many effective examples of the linking of technical assistance with financial aid. In Kenya, a project supervisor was provided for the Forest Roads Construction project which is partly financed under capital aid from Britain. In Nigeria, in connection with the £5 million grant given in 1960 for the development of post-secondary education, British Principals are being provided for technical colleges established by means of the grant. Telecommunications experts have also been provided to Nigeria, to whom loans of up to £15 million have been offered for telecommunications development. Training courses have been mounted in Britain to help with the provision of effective local operating staff for the Lungi Airport in Sierra Leone and the Kainji Dam Hydro-electric scheme in Nigeria, both partly financed from British loans. We have also provided under technical assistance the services of an architect to draw up a master plan for the University of Malawi. The Ministry expects to achieve steadily closer co-ordination of capital aid and technical assistance.

APPENDIX

NOTES TO TABLES (IN TEXT OF CHAPTERS I AND III)

1. Classification of Countries

It has not been possible to ensure uniformity of country coverage in all of the tables, for statistical reasons. However, it is believed that the inconsistencies do not significantly affect the validity of the conclusions drawn in the text.

Except where indicated the following United Nations classification of the economies of countries is used. This and other classifications are set out below.

(a) United Nations

Developed Countries

North America: United States and Canada.

Western Europe: European Economic Community Countries; European Free Trade Association Countries; and Finland, Greece, Iceland, Ireland, Spain and Turkey.

Others: Japan, Australia, New Zealand and South Africa.

Developing Countries

Latin American Republics, including Cuba.

Africa, including associated islands but excluding South Africa.

Asia, excluding Japan, China (mainland), North Korea, North Vietnam, Mongolia and Turkey.

Others, i.e. countries and territories not specified elsewhere.

Centrally Planned Economies

U.S.S.R., Yugoslavia, Albania, Bulgaria, Czechoslovakia, East Germany, Hungary, Poland, Rumania, China (mainland), Mongolia, North Korea and North Vietnam.

(b) F.A.O. less developed regions

The less developed regions are mainly self-explanatory geographical groupings (except that the Near East extends from Cyprus and Turkey to Afghanistan and includes Libya, Sudan and the United Arab Republic). South Africa is included in Africa. The Far East includes Japan and excludes China (mainland).

(c) Organisation for Economic Co-operation and Development (O.E.C.D.) Classification

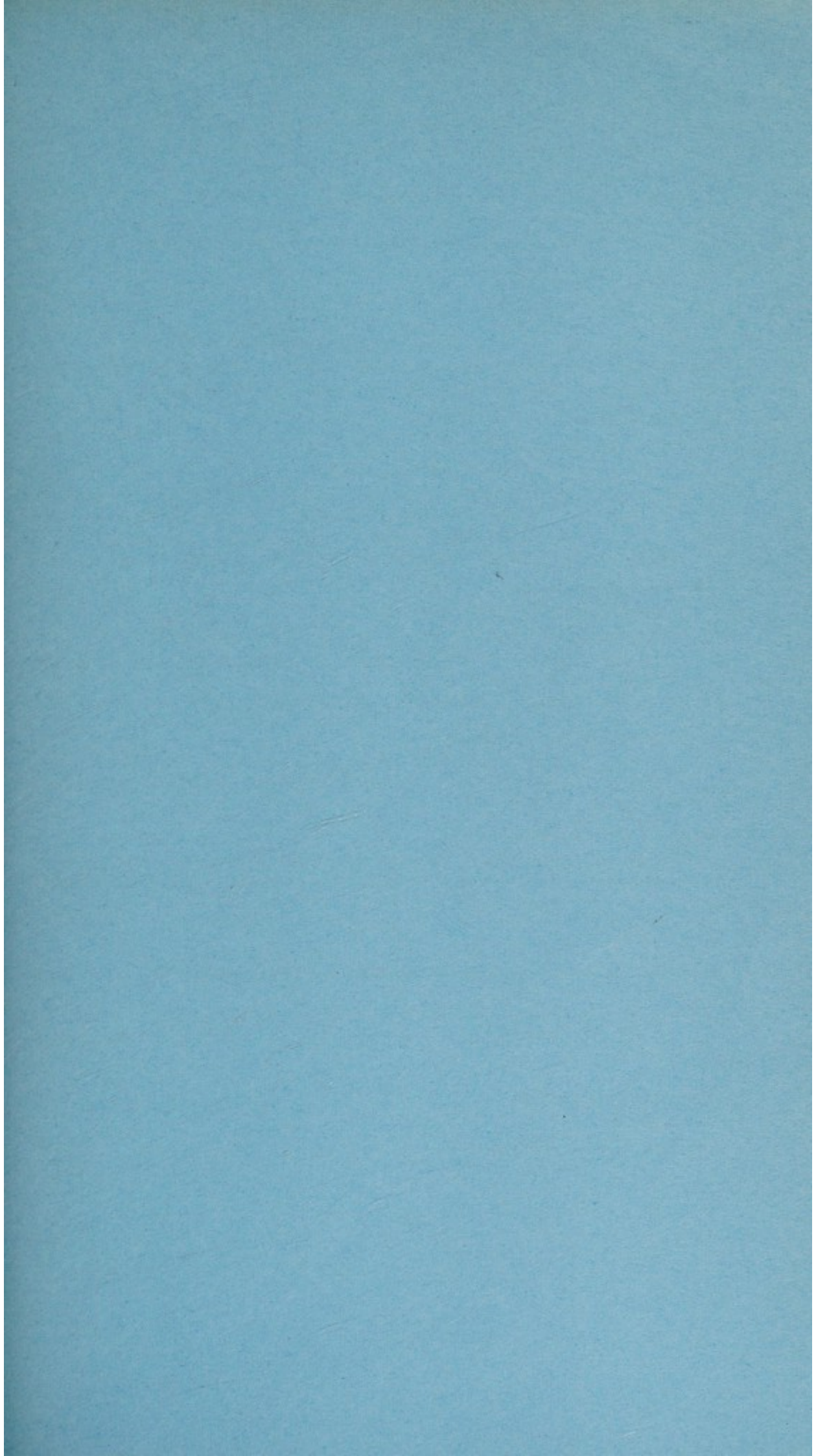
The O.E.C.D. classification is the same as that of the United Nations except that Greece, Spain, Turkey and Yugoslavia are regarded as less developed countries.

2. Symbols used in the Tables

.. not available.

— nil or less than half the unit used.





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