

Intervention by various levels of US combat forces may be required to protect US interests in extreme cases; however, these measures are not considered a normal part of US foreign assistance programs and will be considered separately.

US foreign assistance programs to developing nations are largely based on US economic, political, and humanitarian interests in the future of these nations. How the social, economic, political, and military problems of developing nations are resolved will in large measure determine the prospects for a stable and tranquil world order and, ultimately, will impact on the security and economic well-being of the United States.

## DEVELOPMENT ASSISTANCE

Development assistance is provided to selected countries for their economic and social development. Providing development assistance also may result in improved security or direct and immediate relief of human suffering, even though these are not its main purposes. Similarly, humanitarian assistance and security assistance will impact on development.

Development assistance is designed to support economic and social progress, to increase agricultural and industrial production, to educate and train people, to help prevent population growth from outrunning economic growth, to build lasting institutions, to reduce economic disparities, and to promote wider distribution of the benefits of economic progress. The goals of development assistance are fundamentally long term; they can seldom be achieved quickly.

Development loans and technical assistance are used separately and in combination to assist developing nations.

- Development loans finance a wide range of commodities and related technical services which developing countries need for such facilities as schools, clinics, irrigation works, and roads. These loans are repaid to the United States with interest. Interest rates charged to the borrowing country are lower than commercial rates, and long-term credit is arranged.

- Technical assistance is primarily concerned with people - - their skills, their productivity, and the institutions they build and administer. It is aimed at assisting the people of developing countries to generate what is needed for economic and social growth and modernization. Self-sustaining growth depends on the effective use of natural resources, capital facilities, and labor. Technical assistance is designed to speed up the process by which people are educated, skills learned, and attitudes changed so they can more effectively help themselves.

The International Development Cooperation Agency (IDCA) is the principal adviser to the President and the Secretary of State on international development. IDCA is responsible for supervision and general direction of all developmental assistance programs. Its authority extends to those nonmilitary assistance programs under the provisions of the Foreign Assistance Act of 1961, Public Law 480, and similar legislation. The Agency for International Development (AID), a component of IDCA, is primarily concerned with developmental and humanitarian assistance; some of its programs are also security related.