



A car in the employees' parking lot outside a wooden handicrafts manufacturer in Kingston, Jamaica, sports a bumper sticker with a simple message: "Enable the Disabled."

**T**his optimistic exhortation is the driving force behind Deeds Industries Ltd., one of the few enterprises to employ the handicapped in a country where one out of 10 people suffers from some sort of physical or mental disability.

Deeds Industries got its name in 1983, when it was founded by Jamaica's Combined Disabilities Association (CDA) to demonstrate "not by words, but by deeds" that the handicapped could be integrated into the work force. The CDA itself is unique in that it is one of the few advocacy groups put together by the handicapped themselves. The CDA came into being, according to its wheelchair-bound chairman, Huntley Forrester, because "persons with disabilities needed to come together to deal with the problems we face in terms of society and employment. We felt that we should harness the most talented persons from the disabled and get them to work for the disabled in Jamaica."

Forrester adds: "Deeds was founded with the objectives of providing full, gainful employment for the handicapped, and to be a model of the integration of the able-bodied and the handicapped at the workplace."

Deeds has succeeded. Having started with three employees, one of whom was disabled, Deeds today employs 43 people, 23 of whom are handicapped, and it is still growing. The profits earned in selling the beautifully inlaid cheese boards, boxes and toys—all crafted from Jamaican hardwoods and other materials of Jamaican origin—revert to the Combined Disabilities Association.

AID has assisted this enterprise by providing approximately \$90,000 for production engineering, marketing and woodworking, which enabled Deeds Industries to buy woodworking machines and a solar-powered kiln. U.S. assistance to this project is expected to create at least 60 new jobs.

The Technical Consultation and Training Grants program, under which AID assisted Deeds, has made available approximately \$5 million per year over the past two years in Jamaica. □

*At Deeds Industries—where handicapped workers are integrated into mainstream occupations—a worker assembles a toy truck.*

## Expanding Opportunity

The nations of the Caribbean Basin acknowledge the primary importance of economic growth; but they also recognize that the ultimate purpose of economic development is increased human welfare. The nations of Central America and the Caribbean must succeed in generating economic growth while expanding individual opportunity and protecting basic human rights if the cycle of conflict and deprivation that has plagued these nations in the past is to be broken. The United States cannot determine the path chosen by the people of the region. It can, however, provide moral and material support to those countries that choose democratic processes and provide a broader distribution of social and economic benefits.

Democratic institutions help ensure that the benefits of expanded opportunity will be distributed equitably throughout a society, giving all its members a stake in its continuing prosperity. The United States is actively committed to supporting the efforts of governments throughout the hemisphere to strengthen the practice of democracy through such institutions as the new National Endowment for Democracy, which pools the resources of U.S. business and labor organizations and its two main political parties to support democratic initiatives. The U.S. has also provided practical as well as political support for free elections in El Salvador and throughout the region.

A strong, responsible, independent judiciary is a cornerstone of democracy, just as periodic, free elections are necessary to maintain the accountability of democratic leadership to the popular will. To meet this need, the U.S. has instituted the Administration of Justice Initiative. Directed initially toward the democracies of Central America and the Caribbean, it provides support for the administration of justice in all its aspects—court management, rules of evidence and procedure, and specialized training for the judiciary and officers of the court. This assistance covers criminal, civil, commercial, agrarian, administrative and labor law.

One key to opportunity is employment. Expanding job opportunities, in industry and agriculture, is a priority for nations throughout the region.

Another key is exports. In the view of many development experts, only the export market is likely to provide the impetus needed to spur rapid industrial growth. For its part, the U.S., through the CBI provision for duty-free access to its markets, is helping create a favorable environment for just such an export strategy. One estimate is that, with government encouragement, non-traditional exports from the Caribbean Basin could increase 20 percent by the end of the decade.



*Worker (above) in Honduran coffee cooperative nursery holds new coffee plants ready to be transplanted in individual farms.*

*Printing facility (right) in San José, Costa Rica, where textbooks are being produced by Costa Ricans for the first time.*

Half of the region's labor force works in agriculture. Experience indicates that small farmers are the most productive users of land resources, yet in a number of Central American and Caribbean countries they lack adequate access to the credit, modern technology and marketing services that would unleash this capacity. In cooperation with these nations, the U.S. goal is to assist farmers in expanding agricultural production by four percent per year through 1990. More food means healthier people, and would generate exports of non-traditional agricultural and agro-industrial products, besides providing about 80,000 new jobs per year. Overall, the United States, through AID, has spent about 44 percent of its project aid, called Development Assistance, on agriculture, rural development and nutrition.

Growth and opportunity also require a sound economic infrastructure, i.e., roads, communications and urban services. Moreover, financing of such infrastructure projects is likely to increase economic activity and, by using labor-intensive techniques, increase employment relatively quickly. Road building has created a large number of jobs in Grenada, for example. The U.S. funds infrastructure projects primarily through multilateral development banks.

In El Salvador, the guerrilla war has caused heavy damage to roads, bridges, transmission lines, communications, as well as disrupted or destroyed numerous farms and businesses. At the same time, thousands have fled their villages for the safety of refugee camps near the cities. To meet these dual problems, the U.S. supports a number of local currency public works employment projects which employ large numbers of workers rebuilding roads, bridges and farms, and contributing generally to the restoration of public services disrupted by the guerrillas. From 1980-1984, the U.S. spent more

than \$48 million on 1,600 projects which generated more than 10.2 million person/days of work. Often too, a single project, such as a local road, can serve to stimulate local industries, and thereby increase employment further.

The United States also sponsors a jobs program within the displaced person settlements which provides employment for up to 17,000 refugees a day on road-building, water and sanitation projects. The U.S. assists displaced persons in El Salvador in other ways too, with special nutrition programs, food distribution and health services in the settlements; over the longer term, the U.S. is helping families relocate or return to their homes as conditions permit.

#### COSTA RICA—

**A**s a result of a \$2 million AID grant for writing and production, Costa Rican students are using textbooks written and printed in Costa Rica for the first time. Currently, Spanish and social studies books for grades one

through six are being produced, but the program will be expanded eventually to include science and mathematics textbooks and teachers' guides. The grant will cover the costs for one million books.

Expanding economic and social opportunities means expanding education. Throughout Central America and the Caribbean, education ministries, with active U.S. support, are seeking to expand access to primary schools to nearly 100 percent of the school-aged population, to increase educational quality, to achieve a goal of 50 percent literacy for the Caribbean and Central America as a whole, and to reduce the number of grade repeaters and dropouts. The U.S. is helping in school construction, teacher training, and distribution of textbooks and educational materials. From 1985 to 1989, the U.S. government plans to provide 10,000 scholarships for study in the United States.

#### HONDURAS—

**G**rowing coffee is hard work, and small farmers continually face the problem of disease, notably coffee rust. Conservation and preservation of the coffee industry is crucial since it is a pillar of the Honduran economy. In 1981 AID provided \$9 million to clean out old groves and plant new trees, establish a coffee nursery, encourage the development of new more resistant varieties of coffee plants and the use of new farming technologies. The changes have resulted in 400 to 1,000 percent increases in the incomes of small farmers. AID loans to these farmers have a 7-year term with a 5-year grace period, at a below-market rate of interest.



**I**n health, the U.S. goal is to help the nations of the region reduce infant and child mortality 15 percent over the next five years. To improve health conditions, particularly in rural areas, the U.S. is working with government and private groups to control malaria and other infectious diseases, disseminate oral rehydration therapy (ORT) for severely ill children, train nurses and other health workers, and provide better nutrition through education and food aid programs.

**HONDURAS—**

**I**n Central America, the rains can kill. When the rainy season comes, the rivers swell and drinking water becomes contaminated. Diarrhea is second largest killer in the region, leaving its victims—mostly children under five years old—unable to replace the fluids they lose during their illness. Fortunately, the solution is simple and inexpensive. Heralded as one of the most important health ad-

vances of the century, Oral Rehydration Therapy (ORT) is a means of replenishing the fluids in the body. The ORT program, supported by AID, stresses preventative measures and shows the people how to purify their water. The results have been dramatic. Recent studies show that ORT use in Honduras has been responsible for a 40 percent drop in infant mortality caused by diarrhea.

Population is another area of cooperative endeavors in the region. Despite a significant reduction in birth rates in Central America during the past decade, the rate of population growth in Central America remains around three percent per year, and the U.S. continues to support the work of private voluntary organizations providing family planning services.

Improved access to land may be the most rapid way to expand economic opportunity to disadvantaged groups in some of the countries of the region. The United States promotes efforts to make land available for poor rural families through cultivation of vacant land, legal reforms needed to protect land titles, and long-term financing for land purchases. In El Salvador, for example, more than 60,000 families have signed up for over 96,000 hectares under the country's "Land to the Tiller" program (see pages 12-13).

Martha de Rodriguez, Director of the ORT Program at San Pedro Sula Hospital, explains oral rehydration therapy to local mothers.



**GUATEMALA—**

**B**efore irrigation technology became available, Felipe Alcor had to water his fields by hand, carrying his buckets one kilometer uphill from the nearest water source. Because of the increase in production due to irrigation, Alcor now earns approximately \$2,600 per year in an area where the per capita income is normally around \$260 annually. This small-farm irrigation project, sponsored by AID, effectively doubles the amount of productive land available to the farmer. It also allows them to grow non-traditional crops like snow peas for export to earn foreign exchange.

Results have shown that where farmers have used irrigation to plant new vegetable and fruit crops, they have been able to bring in as many as three harvests per year. Their earnings per unit of land rose by as much as 10 times the first year, reaching levels approximately 600 percent of the earnings from sales of traditional crops. Where farmers in the region continued to plant traditional corn and beans, increases were reported to be about 150 percent, due to the harvesting of a second, dry-season crop, and a small (up to 20 percent) increase in overall yields due to a more regulated water supply.



Farmer Felipe Alcor (top, facing page) irrigates his fields with water provided by the AID small farm irrigation project. This particular project, near Santo Domingo, Guatemala, serves 37 area families. AID has earmarked \$5 million to keep the program in operation and provides the loans for irrigation pumps, tubing and sprinklers. The irrigation project allows Guatemalan farmers to grow non-traditional crops like snow peas (above) for export to earn foreign exchange.



Santa Cruz, in the Costa Rican province of Guanacaste, is the site of a bold, self-help housing project that involved the cooperation of the Costa Rican government, the United States and local communities.



**H**istorically, Costa Rica's rural citizens have confronted an extreme shortage of affordable housing; they faced equally critical housing problems when migrating to the cities. In Santa Cruz, low-income rural residents, working with Peace Corps volunteers, built their own houses with materials provided or financed by AID and the Costa Rican National Institute for Housing and Urban Planning.

This housing project, like all Peace Corps efforts, focuses on assisting the poorer people in a community. The Peace Corps works at

the community level to allow rural people to remain in their towns and villages where they can keep their traditional family and social structures intact, and find new opportunities for making a living.

AID provided \$300,000 in start-up funds for a pilot project, which has proved to be highly successful; so far, 270 homes have been built in several locations throughout Costa Rica. The success of the project also sparked interest among representatives of other Central American nations who came to investigate the possibility of duplicating the project in their countries. □

*Peace Corps volunteer Michel Holsten (left) works on self-help housing projects in Guanacaste Province, Costa Rica.*



## The Tools of Economic Aid

### JAMAICA—

**T**he buttons worn by the students at the Portmore H.E.A.R.T. Academy read: "H.E.A.R.T.: Learn to Earn." The Human Employment And Resource Training (H.E.A.R.T.) Corporation is a Jamaican government firm established in 1982 that coordinates all vocational skills training programs at the secondary school level.

In support of this effort, the \$15 million AID Basic Skills Training Project provides technical assistance, training, vocational and innovative educational equipment—through Jamaica's Ministry of Education and Ministry of Youth and Community Development—to 10 vocational technical high

schools and four H.E.A.R.T. academies. It also provides help in curriculum design to the Vocational Technical Development Institute.

At the Portmore H.E.A.R.T. Academy for Building Skills, for example, youths and adults receive training in a practical on-the-job setting. Students are taught carpentry, joinery, cabinet making, electrical installation, maintenance, masonry, steel repair, tiling, plumbing, pipefitting, welding, fabricating, painting and decorating. They also study trade technology, mathematics and English, technical drawing, blueprint reading, civics, personal development, agriculture, family life and sports.

Worldwide, the United States has a number of ways of delivering economic assistance: *Development Assistance (DA)*, in the form of loans and grants, is aimed at improving the quality of life of the poorest people in developing countries through programs in agriculture, rural development, nutrition, family planning, health, education and human resources, energy, and science and technology.

*Economic Support Fund (ESF)* is designed to promote economic and political stability in areas where the United States has determined that economic assistance is essential in assisting nations to secure peace or avert major economic or political upheavals. ESF resources meet a variety of needs, including balance-of-payments support, financing of roads, ports, bridges, capital projects and other development programs.

*Disaster Assistance:* AID conducts humanitarian relief activities in support of those who suffer from calamities such as earthquake, famine, flood and drought. In 1984-85 alone, the United States responded to 41 new disasters (including 11 related to food shortages in Africa). The amount allocated for disaster relief in 1985-86 is \$25 million. The objective is to alleviate human suffering with efficient and rapid emergency relief. Assistance to Grenada following the joint U.S.-Caribbean rescue mission falls into this category, as does the recent aid to flood victims in Panama City and the \$7.5 million relief program in Honduras for the Miskito Indians.

*Housing Investment Guaranty Program (HIG)* has been AID's chief means of securing funds from private sources to improve housing for low-income

families. Under the HIG program, private financial institutions provide long-term financing for low-income shelter and for upgrading neighborhoods, including squatter settlements; The U.S. underwrites these transactions by protecting the U.S. lender against possible loss. Since the program's inception 20 years ago, AID has authorized a total of \$1.81 thousand million to finance housing projects in 44 countries worldwide. For 1984-85, HIG programs have been conducted in 15 countries in the region: Belize, Costa Rica, El Salvador, Guatemala, Honduras, Jamaica, Panama, and the Caribbean island nations of Antigua and Barbuda, Domi-



Pipefitting is one of several types of vocational training offered at Jamaica's Portmore H.E.A.R.T. Academy.

AID funds helped reconstruct this school on the island of Dominica after it was destroyed by a hurricane in 1978. (AID)

nica, Grenada, Montserrat, St. Christopher and Nevis, St. Lucia, and St. Vincent and the Grenadines.

In Honduras, for example, at the *Hato del Medio* Housing Project outside Tegucigalpa, low-income residents can buy a small house, then build on extra rooms themselves later when they can afford them. This housing project is designed to serve people with annual incomes ranging from a high of \$340 per year to a low of \$177 per year. AID provided \$2.95 million to the Honduras National Housing Authority which builds the basic core units; AID also provided the funds for community roads and sewers.



HONDURAS—

A unique educational institution founded in 1941, the Pan American School of Agriculture—called El Zamorano after the farm it sits on—educates students from 15 Latin American countries with a very intensive “learning by doing” program. Students obtain practical experience in all fields of modern agriculture, including animal science, agronomy, horticulture, aquaculture, forestry and agricultural economics.

The 7,200-hectare school also operates one of the region’s most extensive certified seed programs. The students process and treat the

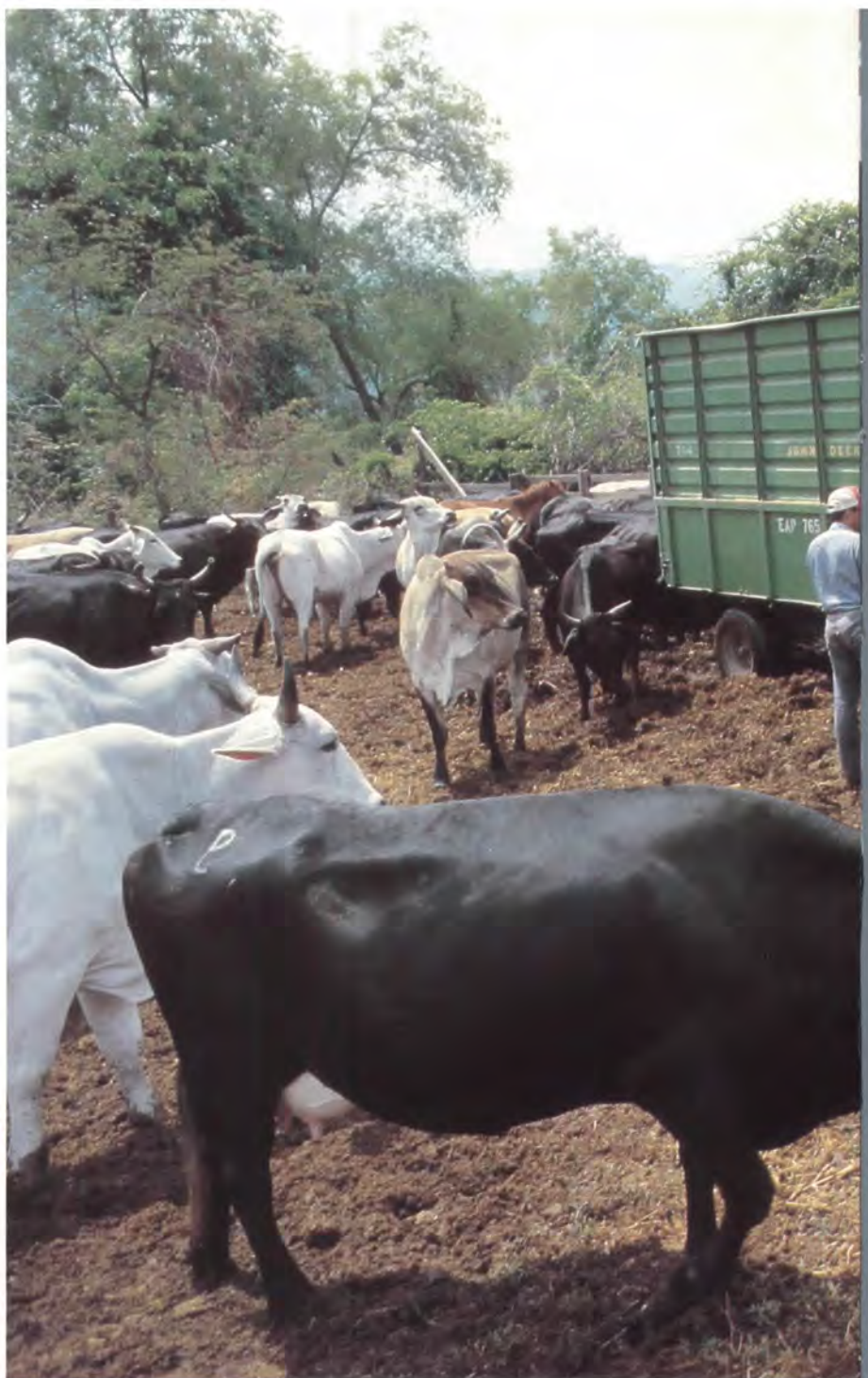
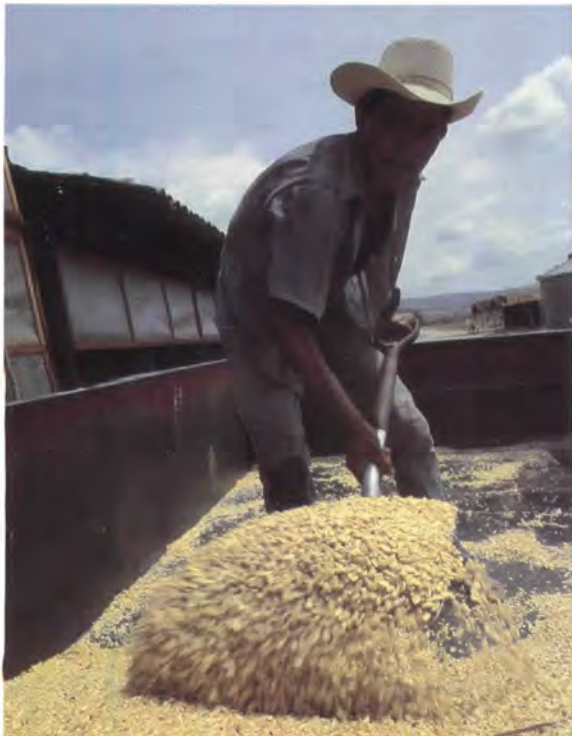
seed themselves, making their own hybrids and identifying reliable, productive strains.

The list of alumni from El Zamorano includes ministers and vice-ministers of agriculture, directors of agricultural research institutions and the deans of colleges. One of the most important contributions of the school has been in the teaching of modern agricultural methods to farmers.

Funds from AID, American Schools and Hospitals Abroad (ASHA) and the Inter-American Development Bank supplement student fees and the school’s own endowment.

**I**nternational Training: More than 244,000 individuals have been sponsored for training in the United States and in other countries by AID and its predecessor agencies during the last 40 years. In 1984-85 alone, the U.S. sponsored training programs for more than 10,000 individuals worldwide. Plans for 1985-86 call for the training of 15,000 individuals, a 50 percent increase.

A major component of this international training effort is the Central America Peace Scholarship program, which focuses on providing education and training in the United States for promising lower- and middle-income students in Panama, Costa Rica, Guatemala, Honduras, El Salvador and Belize. This program was authorized in February 1985 to train 7,000 individuals over five years (1985-1990) in courses ranging from 2-3 week technical training workshops to graduate and undergraduate studies at U.S. colleges and universities.



Students (above) “learn by doing” in the feed lots of the Pan American School of Agriculture in Honduras.

Worker (left) shoveling Zamorano certified seed onto a conveyor belt.

AID sponsors two general types of participant training, largely through private institutions: *academic programs*, which lead to college degrees and account for 45 percent of all programs, and *technical training*, which includes courses, seminars, and job-related training and visits. Participants are trained primarily in the fields of agriculture, industry and energy, health and family planning, and public administration. In one project, Caribbean participants worked with furniture companies, food processors, a muffler manufacturer and other U.S. private companies.

AID assists private, non-profit schools and hospitals overseas through the American



Schools and Hospitals Abroad program which, in 1984-85, provided \$30 million in grants to 40 institutions.

**Private Voluntary Organizations:** Non-governmental organizations, which rely heavily on the private contributions of millions of Americans, are involved in a significant portion of U.S. bilateral economic assistance efforts. They have proved particularly effective in the fields of rural and small enterprise development, health and family planning. The United States supports representatives of voluntary agencies in virtually every country in the world and, through direct grants, is seeking to increase the role of private organizations.

#### JAMAICA—

**G**reening precariously down twisted mountain roads deep in the areas Jamaicans refer to as "the country," a clinic on wheels brings medical care and testing services to the children of rural Jamaica (see page 2).

The mobile clinic is run by Private Voluntary Organizations, Ltd. (PVO Ltd.)—with assistance from Goodwill Industries and an AID grant of \$500,000—which launched the Rural Services and Devel-

opment for Special Children Project in March 1982. The heart of the project is a mobile clinic equipped with basic medical supplies and instruments for testing hearing and sight. The clinic's team, which is composed of Peace Corps volunteers and Jamaican staff, includes a public health nurse, audiologist, eyesight technician, pediatrician, physical therapist and psychologist. The team helps about 80 children each month, screening them, assessing those who are potentially

handicapped, performing basic physical therapy and lecturing local communities on preventive care.

# REPAIRING THE DAMAGE

EL SALVADOR

*Repair crew works  
on toppled transmission tower  
in rural El Salvador.*  
(AID El Salvador)



It is early morning at the edge of a small Salvadoran town. The sun is not yet up and a heavy mist hangs over the dark green volcanic peaks that overlook the town. Suddenly a series of explosions disturbs the morning calm, reports echoing off the mountains, sending parrots screeching out of the trees. An electrical transmission tower, its legs blown apart in sequence, pirouettes awkwardly and crashes to the ground, live wires snapping and exploding as it falls.

Salvadoran guerrillas, unable to garner support in the villages and cities, have taken up a campaign of sabotage to disrupt the country's economy. The easiest targets are the transmission towers that relay electricity throughout the country. There are simply too many of them to protect from attack. As a result, almost 90 percent of the transmission towers have been sabotaged at least once.

A few hours after the destruction, however, repairs are underway. Salvadoran soldiers assigned specifically to this task secure the area to eliminate the possibility of ambush, and then clear the site of the mines and booby traps the guerrillas leave behind to kill and maim repair crews. When the area is secured, repair crews drive in with trucks or, more often, fly in by helicopter to clear away the rubble and prepare the site for new transmission poles.

After the helicopter delivers the repair crew, it flies back with the new transmission poles suspended beneath it on cables. At the site, the helicopter becomes a flying crane as it lowers the poles into holes prepared by the repair crews. Once the poles are set firmly in the ground, the business of replacing the wires can begin. The program has proved so successful in restoring electrical service that the guerrillas have taken to shooting at the helicopters as they go about their work.



Helicopter installs transmission poles to replace those destroyed by guerrilla sabotage. (AID El Salvador)





*New wooden transmission poles installed by helicopter-borne repair crew replace steel tower demolished by guerrillas. (AID El Salvador)*

**A**lthough large-scale guerrilla operations in El Salvador have been reduced, the guerrilla campaign to foster economic and political instability by destroying the country's infrastructure—roads, bridges, power plants, etc.—continues with frustrating regularity. The success of El Salvador's National Plan—which includes the revitalization and stabilization of its economy—requires that such installations destroyed by the guerrillas be repaired or replaced and that public services be restored. A large part of AID's effort in El Salvador is dedicated to keeping basic public services operating so that the country can get on with the business of economic recovery. In addition to replacing towers with helicopter-borne repair crews, these projects include:

- Emergency stand-by generators that are activated when the guerrillas try to cut off electrical power to whole sections of the country by destroying substations, as well as transmission towers. (The U.S. assumes the cost of this operation which can amount to as much as \$100,000 a day.)
- AID-funded "Bailey bridges," which provide temporary (and movable) replacements for bridges blown up by the guerrillas. □



*Salvadoran soldier stands guard over U.S.-funded emergency generator which helps to restore electric power when guerrilla activity disrupts normal public services.*

## “Food for Peace”

Public Law 480, or the “Food for Peace” program, enacted in 1954, is the primary means by which the U.S. government, through the Department of Agriculture and AID, provides food assistance to other countries.

One of P.L. 480’s most important advantages is that it allows developing countries to buy the farm products they need, while reserving their foreign exchange for imports vital to development. Recipient countries are obligated to repay the U.S. eventually in dollars, or in local currencies convertible to dollars; most P.L. 480 sales agreements, however, include a grace period during which repayment is deferred. In this period, buyer countries may use any funds earned from P.L. 480 sales for development projects of their own choosing. P.L. 480 authorizes three types of food assistance: *Title I*, the concessional sales part of the P.L. 480 program, allows developing countries to buy U.S. agricultural products for dollars, although payments can be stretched out over as many as 20 years, and interest rates are much lower than with commercial financing. Title I does allow for credit sales on 40-year terms with deferral of repayments on the principal of up to 10 years.

Recipient countries may use P.L. 480 commodities to build food stocks, or they can resell the commodities internally and use the proceeds for agricultural and economic development projects.

Food supplied under Title I has been the largest component of the Food for Peace program. Costa Rica, for example, uses Title I assistance, which has averaged \$24 million per year over the past three years, to reduce foreign exchange earmarked for food imports, thereby helping to alleviate its balance-of-payments problems. In El Salvador, Title I assistance, which averaged \$37 million per year from 1981 to 1984, provides bal-

ance-of-payments support and, by selling the commodities internally, generates local currency to help finance essential public service programs. *Title II*, the donation program of P.L. 480, provides food to meet famine or other urgent relief requirements, to combat malnutrition, and to promote economic and community development.

Over the years, food donated by the U.S. has often made a life-or-death difference for victims of earthquakes, hurricanes, volcanoes, floods, droughts and civil strife. These foods have also been an important weapon in the ongoing battle against world hunger and malnutrition. Donated U.S. foods serve as the mainstay of many school lunch, preschool and mother-child health care programs around the world.

From 1955 to 1983, more than \$8 thousand million worth of U.S. agriculture products have been donated worldwide under Title II. These farm products are also used in “food for work programs” to pay workers in developing countries for their labor on such public projects as building schools and roads, improving village water and sanitation systems, and digging wells and irrigation ditches. Title II assistance to El Salvador, roughly \$6 million per year, is utilized by private voluntary organizations for projects directed to maternal and child health care, emergency feeding of displaced persons, and improvement in nutrition. *Title III*, the Food for Development program, was added to P.L. 480 in 1977. It is a long-term sales program similar to Title I, but provides for forgiveness of the original loan if the recipient country uses the currencies generated by the local sale of the commodities for programs in agricultural development, nutrition, and health designed to better the lives of small farmers, tenants and landless agricultural workers.