CORRIGENDUM (E/3256) (ST/ECA/61) June 1959 NEW YORK

ECONOMIC DEVELOPMENTS IN THE MIDDLE EAST, 1957-1958

Page 37, table 6:

Under Aden, footnote reference a should be on "Exports", not "Imports"

Page 45, first complete paragraph, lines 3 to 5:

The undesignated values expressed (17.1, 2.9, 29.3, 24.3) are for millions of Egyptian pounds

Page 45, footnote 13, lines 2 to 3:

For: "to Egypt" Read: "by Egypt"

Page 48, second complete paragraph, line 4:

For: "(industrial loan and development loan)"
Read: "(independence loan and development loan)"

Page 66, table VIII:

Under Cigarettes, Egypt, 1957 figure:

For: "29,882" Read: "9,882"

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ECONOMIC DEVELOPMENTS IN THE MIDDLE EAST, 1957-1958

Page 26, first paragraph, line 1:

For:

"late in 1957"

Read:

"late in 1956"

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ECONOMIC DEVELOPMENTS IN THE MIDDLE EAST 1957-1958

Supplement to World Economic Survey, 1958

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FOREWORD

This report, Economic Developments in the Middle East, 1957-1958, forms part of the survey of the world economic situation prepared by the Secretariat of the United Nations, and is a supplement to World Economic Survey, 1958 (sales number: 59.II.C.1). It also complements the series of annual surveys prepared by the secretariats of the regional economic commissions and is a continuation of studies on the Middle East, of which the most recent is Economic Developments in the Middle East, 1956-1957 (sales number: 58.II.C.2).

The previous study was devoted to a review and analysis of the economic forces which have given rise to inflationary or disinflationary pressures over the past few years in several countries of the region. The present study reviews the current economic developments in the region in the period 1957 and 1958. Statistical data are not always available to the end of 1958, a fact which renders tentative some of the conclusions reached with respect to developments during that year. Lack of adequate data also prevented covering all countries in the region. A brief regional summary of findings is given at the beginning for the purpose of presenting a concise general picture to the reader who is not looking for a detailed account of activity country by country. This is followed by a review of developments in the fields of agriculture, industry, petroleum and foreign trade and payments. The countries covered include Egypt, Iran, Iraq, Israel, Jordan, Lebanon, the Sudan, Syria and Turkey. In addition, the present report includes a statistical appendix, consisting of tables which bring up to date the figures shown in the latest reports, classified under five headings - agriculture, industry and mining, foreign trade, transportation and finance and development.

This report was prepared by the Bureau of Economic Affairs in the United Nations Department of Economic and Social Affairs. In general, the statistical data were either prepared directly by the Statistical Office of the United Nations or obtained from data published by that office. In addition, other official international and national sources were utilized; when such data were not available, private sources were consulted. Because of variations in methods of compiling data, information for the various countries is not always strictly comparable.

Wherever the terms "Syria" and "Egypt" are used, reference is to the northern and southern regions of the United Arab Republic. The latter terms have not been used since economic integration is not yet effected and data on the two regions are still given separately.

EXPLANATORY NOTE

The following symbols have been used in the tables throughout the report:

Three dots (...) indicate that data are not available or are not separately reported.

A dash (-) indicates that the amount is nil or negligible.

A blank in a table indicates that the item is not applicable.

A minus sign (-) indicates a deficit or decrease.

A full stop (.) is used to indicate decimals.

A comma (,) is used to distinguish thousands and millions.

A slash (/) indicates a crop year or financial year, e.g., 1955/56.

Use of a hyphen (-) between dates representing years, e.g., 1950-1954, signifies the full period involved, including the beginning and end years.

References to "tons" indicate metric tons, and to "dollars" United States dollars, unless otherwise stated.

The term "billion" signifies a thousand million.

Details and percentages in tables do not necessarily add to totals, because of rounding.

Information regarding rates of exchange may be found in issues of the United Nations, Monthly Bulletin of Statistics.

Certain abbreviations have been used: FAO for Food and Agriculture Organization of the United Nations; IMF for International Monetary Fund; SITC for Standard International Trade Classification; UAR for United Arab Republic; UNICEF for United Nations Children's Fund; UNRWA for United Nations Relief and Works Agency for Palestine Refugees in the Near East.

The designations of countries and territories and the arrangement of material in this publication should not be considered as implying any endorsement or other judgement by the Secretariat of the United Nations regarding the legal status of any country or territory, or of its authorities, or in respect of the delimitation of its boundaries.

TABLE OF CONTENTS

<u> </u>	age
Summary	1.
1. Agriculture	4
Agricultural production in 1957 and 1958	4
Agrarian reform	8
Other institutional and technical developments	12
2. Industry	15
Egypt	16
Iran	18
Iraq	20
Israel	21
Jordan, Lebanon and Syria	22
Turkey	24
3. Petroleum	26
Production and refining	26
Revenue and new concessions	28
Transportation	33
4. Foreign trade and payments	35
Imports, exports and balance of trade	35
Volume, prices and composition of trade	35
Direction of trade	42
Trade policy and balance of payments	44
Statistical annendix	51

LIST OF TABLES

		Page
	1. Agriculture	
1.	Consumption of fertilizers, by country	13
	3. Petroleum	
2.	Production of crude petroleum, selected countries	27
3.	Estimates of oil revenue in the Middle East, by country	30
4.	Revenue from oil transport of the Middle East, by country	31
	4. Foreign Trade and Payments	
5.	Value of trade of the Middle East	36
6.	Imports, exports, excluding petroleum, and balance of trade, by country	37
7.	Indices of volume and unit prices of major exports, selected countries	μo

LIST OF TABLES (continued)

Statistical Appendix

		Page
	Agriculture	
I.	Indices of agricultural production	52
II.	Acreage of principal crops, by country	53
III.	Production of principal crops, by country	56
IV.	Animals and animal products, by country	60
V.	Egypt (UAR), Israel and Turkey: Daily food consumption per person	62
VI.	Number of tractors used in agriculture, by country	63
	Industry and Mining	
VII.	Quantum indices of output in certain industries, major producing countries	64
VIII.	Output in certain industries, major producing countries	65
IX.	Indices of industrial production, selected countries	69
х.	Production of crude petroleum, by country	70
XI.	Output of major refinery products, by country	71
	Foreign trade	
XII.	Geographic pattern of trade, by country	73
XIII.	Major exports excluding petroleum, by country	80
XIV.	Major imports, by country	82
xv.	Indices of quantum and unit value, and terms of trade, selected countries	87
XVI.	Balance of payments, selected countries	89

SUMMARY

During 1957 and 1958 the major factors in current economic trends in the Middle East 1/were the continued growth of the oil industry, the wide fluctuation in agricultural output from year to year and the changes in the terms of trade. Foreign aid and loans from abroad also played an important part and continued to have a profound impact on economic trends. Several economies of the region were also influenced by significant developments affecting their economic and political structure. Of particular importance in this connexion were the extensive agrarian reform started in 1958 in Iraq and Syria, the unification of Syria and Egypt in the United Arab Republic and the launching of large industrialization programmes in Iran, Iraq and the two regions of the United Arab Republic.

The oil industry, which experienced a setback in production as a result of the Suez crisis, regained its level of output by the middle of 1957 and over the whole year recorded a 3.7 per cent increase in output; in 1958 output rose further by 20.7 per cent. Oil revenue of the major oil producing countries, particularly of Iran and Kuwait, rose correspondingly, reaching \$1 billion in 1957 and rising to about \$1.3 billion in 1958. The rise in the posted price of Middle East oil of 4 to 6 per cent in 1957 and 2 to 3 per cent in 1958 may have contributed to this expansion, but a large drop of about 9 per cent in 1959 may have the opposite effect during the year. The two regions of the United Arab Republic through which almost four-fifths of total oil exports passed on their way to markets in the west received about \$87 million in Suez Canal fees on oil tankers and in pipeline royalties in 1958. New concessions covering small areas were signed between foreign investors and several Governments providing for revenue shares of more than 50 per cent of the profits on the "integrated" activities, and, in some cases, for participation in the capital. Activities of Governments in the region in the field of oil production, refining and transport expanded somewhat during the period under review. The expected continued rise in world demand for oil and the availability of adequate tanker capacity prompted the oil companies to embark on large projects in Iran, Iraq and Kuwait for expanding offshore loading capacity.

Agricultural output in the area as a whole expanded in both 1957 and 1958 at the rate of about 4 and 3 per cent, respectively, thus slightly exceeding the increase in population. In 1957, exceptionally high yields and in 1958, record cereal crops in Turkey and a high cotton crop in Egypt, the largest producers in the area, contributed substantially to this rise. A continued shift in the pattern of production towards industrial cash crops, and greater use of fertilizers and agricultural machinery helped to maintain the rate of growth of agricultural output, but the uncertainty of climatic conditions, particularly in the rainfed zone, caused wide fluctuations. A significant extension of the area under irrigation still awaits the completion of some of

^{1/} The term "Middle East", as used in the present report, covers Egypt, Iran, Iraq, Israel, Jordan, Lebanon, Saudi Arabia, the Sudan, Syria, Turkey and Yemen - also Aden, Bahrain, Cyprus, Kuwait, Muscat and Oman, Qatar and the Trucial Coast.

the large water control and irrigation projects in Iraq and Iran, and the implementation of such large projects as the High Dam in Egypt, the Khusistan Development Project in Iran and the Euphrates River Project in Syria.

On the institutional side, the agrarian reform project of Egypt which was started in 1952 was almost completed in 1958, and two comprehensive programmes were started on similar lines in Syria and Iraq late in 1958. The social change brought about by implementing these programmes and the redistribution of income they produce is likely to have a strong impact on the shape of future economic development. In the immediate future the programmes call for government technical and financial assistance aiming at higher output, and for the organization of production, credit and marketing co-operatives. Distribution or sale of government and crown lands in Turkey and Iran continued during the period under review.

Industrial output outside the oil sector made good progress during 1957-1958 and particularly, as in previous years, in the electricity, construction and chemical industries. Available data show a rise in industrial output in 1957 of 6 per cent in Egypt, ll per cent in Israel and 10 per cent in Turkey. Other countries with a smaller industrial sector may have achieved higher rates. In Iraq and Lebanon, however, the political developments of 1958 affected production adversely, particularly in the latter. A large-scale industrialization programme was started in Egypt with the financial assistance of the Soviet Union and other countries, and another industrialization programme was drawn up for Syria. The development plans of Iraq and Iran shifted their emphasis in favour of industrial projects, but Turkey's payments difficulties slowed down the rate of investment in industry.

The higher exports of agricultural products in 1957 in most countries of the region and the improved prices of long staple cotton brought about a rise of 7.5 per cent in the area's exports other than oil. This was matched by an equal rise in exports of oil. In 1958, however, exports other than oil generally dropped as a result of both lower prices and lower volume of agricultural commodity exports. Imports rose by 6.6 per cent in 1957, but jumped up sharply in 1958 as oil revenues and foreign credits increased. Trade deficits increased for almost all countries of the region in both 1957 and 1958.

A shift in the geographical direction of trade of the main cotton exporting countries such as Egypt, Syria and the Sudan, occurred in 1957 and 1958 and moved generally away from western Europe and the United States towards the Soviet Union, eastern Europe and the Far East. Other countries, notably Iran, Jordan, Turkey and Israel, maintained the high share of their trade with the United States and western Europe, although an increasing proportion of the exports of Israel and Turkey went to eastern European countries in 1957 and 1958. Oil exports continued to go to their traditional markets in western Europe, but the share of Asia and the Far East increased significantly.

Trade policy continued on its liberal course in Lebanon, Iran and Kuwait, but restrictive measures on imports were imposed or tightened in almost all

other countries of the region. Measures were also adopted for the stimulation of exports through subsidies, exchange premiums or trade agreements.

The balance of payments position of the oil-producing countries remained generally favourable despite the accelerated expenditure on development in Iraq and Iran, although restrictions on imports had to be imposed in Iraq in 1958 and Iran continued to increase its borrowing from abroad. Israel and Turkey also expanded their foreign debt both in 1957 and 1958, and Turkey embarked on a comprehensive programme of exchange and price stabilization and debt consolidation in 1958. Egypt and Syria, previously free of large foreign debts, contracted sizable long-term credits with the Soviet Union and other countries in 1957 and 1958, and Iraq entered into a similar agreement early in 1959.

Chapter 1

AGRICULTURE

Agricultural production in the Middle East as a whole continued to expand during the 1956/57 and 1957/58 seasons, despite a drought in the latter year, at the rate of about 4 and 3 per cent per annum, respectively, thereby surpassing the growth of population in both years. These rates of growth occurred both in food production and in output of industrial cash crops, on which several countries of the area depend as a major source of foreign exchange. However, deterioration in world prices of some major export commodities, such as cotton, cereals and citrus fruits, reduced the possible benefit of the higher physical output of several countries of the area.

In the winter of 1958/59 the serious drought affected livestock and winter crops in the countries of the eastern Mediterranean coast, but, for the area as a whole, this loss may be balanced later in the year by the output of a larger area under summer crops.

Higher physical outputs were achieved in 1957, despite a 2 per cent contraction in crop acreage, mainly as a result of higher yields, but also because of a shift in planted area towards valuable cash crops, such as cotton, rice and sugar-beets. The same trend was even more evident in 1958, the shift in the pattern of production being further accentuated by lower cereal yields in the rain-fed zone south of Turkey. In the area as a whole, higher output in 1957 can be attributed in part to good rainfall, and in both 1957 and 1958 to the abundance of irrigation water in the major river systems as well as to the high yield of cereals in Turkey, the largest producer in the area. The advance is also due in part to technical improvements, which are reflected in the greater use of fertilizers, other chemicals and agricultural machinery; in this period, too, some major irrigation projects were started.

Important developments in the institutional framework of agricultural activity took place during 1958 in several countries of the Middle East. Extensive land and agrarian reform was inaugurated in Syria (United Arab Republic) and Iraq. In Iran, additional crown lands were distributed, and in Egypt (United Arab Republic), land distribution under the 1952 Land Reform Law was almost completed. The establishment of agricultural co-operative societies in accordance with these reform laws made some progress, particularly in Egypt.

Agricultural production in 1957 and 19581/

The year 1957 was notable in Middle East agriculture for the large number of bumper crops obtained in nearly all countries of the area and in the case of most major crops; record outputs were achieved of wheat, barley, rye, oats, sorghum, rice, pulses, cotton, sugar-beets and citrus fruits (see appendix table III).

Source of data, Food and Agriculture Organization of the United Nations, except as indicated.

In the case of cereals and pulses other than rice, this was largely due to high yields in the rain-fed zones of Turkey, Iraq and Iran. For cotton and rice, the abundant water flow in the Nile Valley was the main contributor to the over-all result, despite a fall in the production of rice in Iran and of cotton in Turkey. The olive crop was, however, extremely poor in most countries of the area, while for fruit crops other than citrus results were mixed.

In Egypt (United Arab Republic) in 1957 a record area was planted with cotton, rice and onions, the three major export cash crops, with a corresponding reduction in the area devoted to other cereals and pulses. Abundant water supply and other favourable conditions resulted in a record yield of rice, barley, onions and lentils and in very high yields of other cereals with the exception of maize, total production of cotton, rice and onions being 25, 9 and 20 per cent respectively above 1956. The over-all result was that physical production of crops rose by over 7 per cent in 1957. Output of animal products also rose by 3 per cent. The higher average level of prices for major agricultural products during 1957 raised money income, thus showing an increase in total agricultural income of 20 per cent, or £E 375 million, as compared with £E 312 million in 1956. 2/ Adjusted by the wholesale price index, the real rise would be of the order of 12 per cent.

The 1958 agricultural output, affected by shortage of water at planting time and danger from flood at harvest, was at a slightly lower level than that of 1957, with a fall recorded in rice, wheat and sorghum production, but an improvement in cotton, barley and maize. The cotton crop was about 9 per cent above its 1957 level, as a result both of a 5 per cent expansion of acreage, achieved mainly at the expense of wheat, and of a higher yield. Shortage of water early in the year reduced rice growing substantially, with a corresponding shift to maize. The rice crop fell by 40 per cent below the 1957 record level.

Iran shared with other Middle East countries a high agricultural output in 1957, with bumper wheat and sugar-beet crops, although on a more modest scale. Higher yields were registered of barley, wheat and rice, with a corresponding rise in production of the latter two despite a considerable contraction of the acreage devoted to them. The high wheat output enabled Iran to dispense with large imports of grain in 1957. Both acreage and output of cotton and sugar-beets rose substantially (see tables II and III).

Dates were the only major crop that slipped back noticeably in 1957, although they picked up in the following season. In 1958 output of cereals fell substantially, particularly that of rice, but other cash crops recorded new high levels, for example, cotton and sugar-beets, at 72,000 tons and 730,000 tons, respectively. 3/ Iran also produces and exports, mainly to the Federal Republic of Germany, large quantities of dried fruits and nuts, notably raisins, pistachios and dried apricots, all of which were at record levels in 1958. 4/

^{2/} Speech of the President of the United Arab Republic reported in Middle East Economist (New York), January 1959. The Budget Speech, 1958/59 gave the preliminary estimate of net income from agriculture as £E 387 million.

^{3/} United States Department of Agriculture, Foreign Crops and Markets (Washington, D.C.), 23 October 1958.

^{4/ &}lt;u>Ibid.</u>, 29 September 1958, 1 December 1958, 23 February 1959.

Extensive acreage and high yields in Iraq in 1957 resulted in good wheat and rice crops and a larger than usual production of barley and cotton. Date output, although slightly better than that of the previous year, was still far below normal.

Lower rainfall in 1958 affected winter crops in the northern part of the country and a substantial drop in production of wheat and barley was recorded in that year; the small cotton crop was also reduced. The date crop is reported to have been substantially larger than the poor one of the previous year, and date shipments to the Union of Soviet Socialist Republics and mainland China helped to raise exports above their corresponding level in 1957.

In Israel, Jordan, Lebanon and Cyprus favourable rainfall in 1957 resulted in high output of most winter crops. Citrus fruits gave a good crop in Israel and Lebanon and a record crop in Cyprus in that year. Apple production in Lebanon continued to grow and jumped by about 27 per cent to 37,000 tons in 1957. 5/ Output of olives was extremely poor, however, and far below the bumper crop of 1956 in all these countries except Cyprus, where it maintained the record level of 1956. The over-all effect in Israel has been a rise estimated at 12 per cent in net income from agriculture at constant prices in 1957 over 1956. 6/

In 1958, low rainfall in Israel, Jordan and Lebanon reduced yields of cereals and pulses in these countries. Utilization of irrigation water curtailed somewhat the damage in Israel, 7/ but the drought in Jordan and the disruption of agricultural activity by political disturbances in Lebanon reduced crop output seriously in those two countries. The olive crop regained its normal level; however, the Lebanese apple crop reached a new high 8/ and citrus fruits and sugar-beets achieved record outputs in Israel. 9/ The over-all growth of agricultural income in Israel in 1958 over 1957, as a result of the compensating rise in output of fruits and dairy products, has been provisionally estimated at 12 per cent - equal to that of the previous year. 10/

The drought of the 1958/59 winter, which was more serious than that of the previous year, leads to expectations of very low yields of winter crops in Israel, Lebanon and Jordan, and may affect production of irrigation crops through a

-6-

^{5/} Food and Agriculture Organization of the United Nations, Monthly Bulletin of Agricultural Economics and Statistics (Rome), January 1959.

^{6/} Statistical Abstract of Israel, 1957-1958 (Jerusalem, 1958). Income from agriculture at current prices has been adjusted by the General Consumer Price Index.

^{7/} Production fell from 83,000 tons in 1957 to 62,000 tons in 1958 (United States Department of Agriculture, The Wheat Situation, Washington, D.C., February 1959). Barley similarly fell by about 28 per cent, and maize and sorghum by 17 per cent.

^{8/} Forty thousand tons in 1958 (Commerce du Levant, Beirut, 4 March 1959).

Ninety-four thousand tons of sugar-beets in 1958, compared with 56,000 tons in 1957, and 490,000 tons of citrus fruits in 1958, compared with 436,000 tons in 1957 (Reply of the Government of Israel to the United Nations questionnaire on economic trends, problems and policies, 1958-1959.

^{10/} Ibid. Income at current prices has been adjusted by the General Consumer Price Index.

decreased supply of spring and underground water, particularly in Israel. 11/Losses in livestock in Jordan have been reported, due to lack of water and fodder.

In Syria (United Arab Republic), 1957 was the second consecutive record agricultural year, showing an increase in the country's output of major crops. Wheat, barley and cotton were 29 per cent, 56 per cent and 15 per cent, respectively, above their previous levels in 1956. Other important crops, such as pulses and sugar-beets, also recorded new high levels of production and the only notable exception to the trend was olives, which recorded a drop of over 50 per cent from the 1956 bumper crop level. Output of millet, the acreage of which has contracted notably since 1956, with a corresponding shift towards wheat and barley, also fell. Net agricultural income in the 1957 calendar year rose by 10.6 per cent at current prices over 1956 and by 17 per cent at constant prices. 12/

As in neighbouring countries, the drought of 1958 reduced winter crops far below the level of the previous year, the drop being particularly severe in the case of barley, output of which fell to one-fourth of the 1957 level as the result of a 50 per cent decline in both area and yield. The cotton crop, although largely under irrigation, nevertheless showed a 9 per cent fall below 1957 and again, exceptionally, the olive crop moved upward to a new high level of 91,000 tons. As a result of the generally poor yields, output of field crops in Syria in 1958 may have fallen by as much as one-fourth from the exceptionally high level of 1957. 13/

In the Sudan the year 1956/57 recorded a sharp rise in agricultural acreage and output, notably in the case of cotton - with a bumper crop of 128,000 tons, a 35 per cent rise over 1956, ground-nuts - with a 57 per cent rise at 146,000 tons, and gum arabic - a 14 per cent rise at 43,000 tons. Marketing the cotton crop, largely long staple, proved difficult against a background of falling demand and prices in the traditional markets of western Europe. Cotton exports in 1957 fell to one-half their value in 1956, and large stocks were accumulated.

In 1958 extensive pest damage and low rainfall reduced the cotton crop to 38 per cent of the 1957 record. Exports of cotton from accumulated stocks picked up however in 1958, partly as a result of a second reduction of export duty in March and progressive reductions of minimum reserve prices by the Gezira Board, which holds and markets the greater part of the crop. They were, however, only slightly higher in value than exports in 1957 because of a large drop in prices. 14/

Half the grain crops were reported already lost in February 1959 (The Israel Digest, Jerusalem, 20 February 1959).

^{12/} Income from agriculture in 1957 reached LS 1,035 million, compared with LS 936 million in 1956 and LS 581 million in the drought year of 1955 ("Report on the National Income of Syria", part I, "The Agricultural Sector, 1952-1957" (Damascus, 1958) (mimeographed, in Arabic)). For the comparison at constant prices, the index of wholesale prices of agricultural raw materials was used.

^{13/} Rough estimate of United Nations Bureau of Economic Affairs.

¹⁴/ See chapter 4 below.

With a 40 per cent increase in acreage and a near-record crop harvested early in 1959, marketing difficulties are expected to continue and the Gezira Board, in anticipation, removed minimum reserve prices completely on long staple cotton at the end of January 1959. The Government also sought new markets in eastern Europe and the Far East and entered into barter agreements with mainland China and Hungary at the end of 1958.

With the exception of sorghum, the Sudan's second major crop, other crops also showed indications of lower output levels in 1958. Thus, marketed ground-nuts in the first two harvest months - October and November - were 18 per cent below 1957, and millet carried by rail was also lower by about the same amount. $\underline{15}/$

Turkey, like Syria, had generally record outputs of cereals, pulses, sugar-beets and citrus fruits in 1957, but, unlike its neighbour, it also maintained high production in 1958, and recorded new high levels in cotton, sugar-beets and citrus fruits. 16/ As the largest producer of cereals in the Middle East, its high level of production in the latter year more than offset the large losses in cereal production of countries to the south, thus contributing substantially to the rise in agricultural production of the area as a whole. Output of other important crops in Turkey was generally lower, with a small drop in tobacco and raisins and a large fall in olives in 1957. In agriculture as a whole, net national product in 1957 at constant (1948) prices rose by 2 per cent over 1956, 17/ and output in 1958 is provisionally estimated to have risen further by about 3 per cent over 1957. 18/

Agrarian reform

Important developments occurred in 1958 in the field of agrarian reform, particularly in Syria (United Arab Republic) and Iraq, where laws were promulgated for the expropriation of agricultural land in excess of certain maximum limits, and for the distribution of such land among tenants and small farmers. These laws also fixed the relationships between landlords, on the one hand, and tenants and agricultural workers on the other, and defined the terms governing the distribution of the land's produce between them. Progress was also made in completing distribution of land under the Egyptian Land Reform Law of 1952 and steps were taken in Iran and Jordan in the direction of partial land reform.

^{15/} The Sudan, Foreign Trade and Internal Statistics (Khartoum), December 1958.

Based on data given in United States Department of Agriculture, Foreign Crops and Markets, various issues. The revised estimate of wheat production in 1958 shows a fall of about 4 per cent rather than a rise of about 3 per cent given in the preliminary official estimates.

^{17/} Turkey, Monthly Bulletin of Statistics (Ankara), September 1958. The figures for 1957 are provisional.

[&]quot;Note on the Economy of Turkey" (mimeographed, in Turkish), prepared for United Nations, World Economic Survey, 1958 (sales number: 59.II.C.1).

In Egypt, the total area affected by the 1952 reform, as estimated at the end of 1958, reached 234,000 hectares, or about 9 per cent of the country's total cultivated area. Of this, over 60,000 hectares were sold directly by landlords to landless farmers or to small owners, as provided by the Reform Law, 19/46,000 hectares were taken from the Ministry of Wakfs, and the rest, or about 128,000 hectares, was expropriated from landlords. 20/ The total value of transferred land and installations is estimated at £E 92 million, and the value of bonds issued for the purpose of compensation rose from £E 16.3 million in June 1956 to £E 24.8 million in June 1957 and to £E 35.5 million by the end of 1958. The actual area of land distributed by the Ministry of Agrarian Reform reached 84,000 hectares at the end of 1957 and 111,000 hectares at the end of 1958. Production and marketing co-operatives established in the area benefiting from land reform numbered 206 at the end of 1957 and 267 at the end of 1958. 21/ The total number of farming families which benefited from the distribution of land is estimated at 200,000, representing about 1.2 million persons. 22/

The effects of the provisions of the reform law which govern land rents and crop shares are much more difficult to measure, but have probably been of greater significance than land distribution, since they substantially raise the net income of the large number of tenants who cultivate about two-thirds of all the agricultural area of Egypt. 23/

In Iran the distribution of the Shah's estates, which began in 1951, covered sixty villages and involved the transfer of 56,500 hectares to 8,251 families by the autumn of 1955. 24/ In October 1958, the Shah further distributed lands of thirty-four villages in Gorgan. 25/ The areas involved, however, have so far represented less than 1 per cent of the cultivated area of the country.

United Nations, Economic Developments in the Middle East, 1955-1956 (sales number: 1957.II.C.2).

^{20/} Press conference of the Minister of Agricultural Reform, reported by Bureau des documentations syriennes et arabes, L'économie et les marchés des pays arabes (Damascus), 1 January 1959. Of the lands of the Ministry of Wakfs, 33,000 hectares were taken over by the Ministry of Agrarian Reform by the end of 1958.

^{21/} Ministry of Finance and Economy, <u>Budget Speech</u>, 1957/58 (Cairo, 1957) (in Arabic); press conference of the Minister of Agricultural Reform, op. cit.

United Nations, Economic Developments in the Middle East, 1955-1956; speech by the President of the United Arab Republic, 27 November 1958.

²³/ See footnote 21/.

^{24/} United Nations, Economic Developments in the Middle East, 1955-1956.

^{25/} The Economist Intelligence Unit, Ltd., Three-Monthly Economic Review, Iran (London), January 1959.

In Iraq the Agrarian Reform Law of 30 September 1958 limited ownership of land to 250 hectares (1,000 Iraqi dunums) of irrigated, or 500 hectares of rain-fed, land per person. The excess is to be taken by the Government within a period of five years against compensation, in bonds redeemable within twenty years and bearing 3 per cent interest, and will be distributed, together with government (Miri Sirf) land, to landless farmers and others in lots of 7.5 to 15 hectares of irrigated land, or twice that amount in the rain-fed area. The beneficiaries are to repay the value of the lands, plus costs, over a period of twenty years and are to join in co-operative societies which will supply seed, fertilizers, animals and machinery, market the crops and finance agricultural production and development. A Higher Agrarian Reform Committee, composed of the Prime Minister and the heads of six ministries, was formed in 1958 to supervise the implementation of the reform law, and local committees for the settlement of agricultural disputes were set up, one in each of the sixty-one administrative districts. The law also provided for fixing agricultural wages and regulated the distribution of gross output of field crops among the various factors of production. Thus, it allowed only 10 per cent each for land rent and management and a further 10 to 20 per cent for supplying irrigation in irrigated land. The remaining shares of the crop -60 to 70 per cent - are allocated to labour and seed. 26/ No data are available on the area of land to be distributed, but it is known to represent a considerable proportion of agricultural land, particularly in the southern half of Iraq. 27/

Previous attempts at land reform in Iraq covered the development and free distribution of government (Miri Sirf) land in accordance with the 1945 law relating to the Dujaila Project - 99,000 irrigated hectares - and the 1951 law relating to all Miri Sirf lands. This law, which was repealed by the new reform law of 1958, provided for the distribution of plots of up to 25 hectares of irrigated land or up to 50 hectares of rain-fed land to farmers, retired government employees, ex-members of the army and police force and others. The total area of land which was developed, cultivated and distributed under both laws up to the end of 1957 was 669,000 hectares, or about 12 per cent of the total cultivated area in Iraq, and the number of beneficiaries was about 20,000. 28/

In Jordan, it was reported early in 1959 that legislation had been enacted providing for the expropriation of land in excess of 30 hectares in the area which will benefit from the irrigation system now being constructed on the Yarmuk River (East Ghor). The expropriated land is to be distributed to tenants against repayments over a ten-year period. A minimum limit of 3 hectares is also put on the size of each plot, owners of smaller plots being entitled to buy land from the authority in charge. 29/ The area to be irrigated by the Yarmuk Canal is estimated at 12,000 hectares, or about one-third of the present irrigated area in Jordan.

^{26/} Iraq, Agricultural Reform Law, 30 September 1958 (Baghdad, 1958) (in Arabic).

According to Iraq, Agricultural and Livestock Census, 1952-53 (Baghdad), the average size of farm holdings in Amarah Liwa was 1,721 hectares and in Kut Liwa, 271 hectares, compared with an average farm holding of 51 hectares for the country as a whole. One ownership may include more than one farm holding.

^{28/} Iraq, Ministry of Development, Third Development Week, 1958 (Baghdad) (in Arabic).

^{29/} Mid-East Commerce (Beirut), March 1959.

In Syria, a law regulating landlord-tenant relations and conditions of agricultural employment was decreed on 4 September 1958. To encourage improvements by the tenant, the law provides for greater security of tenancy and for compensation for improvements in case of eviction. The law also limits the maximum share of the landlord under share-cropping arrangements to 20 per cent of the crop in rain-fed areas, 33 per cent in gravity-irrigated land and 20 per cent in pump-irrigated land. It also fixes the minimum share of the tenant's labour at 25 per cent in irrigated land under cotton and land planted with trees, 33 per cent in irrigated land under vegetables and 60 per cent in rain-fed land planted with tobacco.

The second law of 27 September 1958 deals with land reform and provides for the expropriation within five years of areas in excess of 80 hectares of irrigated and 300 hectares of rain-fed land per person. 30/ Compensation is to be paid in bonds bearing 1.5 per cent interest and redeemable over a period of forty years. 31/ Expropriated land is to be distributed to landless farmers in plots not exceeding 8 hectares of irrigated or 30 hectares of rain-fed land, and the beneficiaries will repay over a period of forty years the value of compensation, interest and costs, and will join agricultural co-operatives.

Official estimates of the area of land and the number of owners and beneficiaries who will be affected by the reform law have varied widely. The land to be distributed has been estimated at 1 million to 1.6 million hectares 32/ or about one-fifth to one-third the total cultivated area. The number of beneficiaries have similarly been variously estimated at 80,000 families, representing less than half a million persons, to 250,000 families, representing 1.2 million persons, or more than one-third of the agricultural population. 33/ The first distribution of land was made in February 1959 to 2,880 families and covered 61,000 hectares in twenty-seven villages of central Syria. It was also declared that the period during which the total programme will be completed is to be reduced from five to three years. 34/ In April 1959 it was officially reported that by the end of March 450,000 hectares of excess land had been expropriated from 244 landlords.

^{30/} In addition, each person may keep up to 10 irrigated or 40 unirrigated hectares of land, up to a maximum of four shares, for his wife and each of his children.

The land is valued for this purpose at ten times the rental value, averaged over a period of three years, and as defined in the first law. A sum equal to the average rent on excess land up to the time of expropriation will be deducted from the amount of compensation, and a usufruct tax equal to three-fourths of the average rent is to be paid, beginning 1959, on the area in excess of the maximum holding and until expropriation.

A speech of the President of the United Arab Republic, 27 November 1958, gave a figure of 1 million hectares, excluding government land which will also be distributed. The Minister of Agriculture (reported in Bureau des documentations syriennes et arabes, Etude mensuelle sur l'économie et le marché syriens, Lamascus, 25 October 1958) estimated the area at 1,123,500 hectares, of which 254,700 are irrigated - the area belonging to 2,770 owners. Later estimates of the Minister of Agrarian Reform (Commerce du Levant, 25 February 1959) gave a total of 1.5 million hectares of rain-fed land and 131,000 hectares of irrigated land.

^{33/} Commerce du Levant, 25 February 1959; speech of the President of the United Arab Republic, 27 November 1958.

^{34/} Commerce du Levant, 25 February 1959.

In Turkey, redistribution of land under the 1945 law continued during 1957 and 1958 and reached 1,437,000 hectares of government cultivable land and 884,000 hectares of communal grazing land given to 312,698 landless farmers by September 1958. 35/ The value of government land is repaid by the farmers over a period of twenty years, while communal land is given free. The corresponding figures at the end of 1956 were 1,292,000 hectares of cultivable land and 736,000 hectares of communal grazing land distributed to 252,000 farmers. 36/

Other institutional and technical developments

In addition to agrarian reform, institutional developments in agriculture in the Middle East during 1957 and 1958 covered the extension of credit facilities and the expansion or establishment of co-operative societies. Technical progress was achieved through the expanded use of fertilizers and agricultural machinery and through continued efforts to control agricultural pests.

As indicated in table 1, the use of fertilizers in the Middle East increased impressively during 1957/58, the rise being particularly noticeable in the case of nitrogenous fertilizers in Egypt and potash in Israel. Although rising, consumption in other countries, with the exception of Lebanon and the Sudan, remains very low in relation to the size of their cultivated areas.

Several fertilizer plants are being constructed or planned and their completion is expected to remedy the low level of consumption in these other countries. In Turkey a nitrogenous fertilizer plant was in process of construction in 1958 at Kutahya, to have an annual production of 60,000 tons of ammonium sulphate, 50,000 tons of ammonium nitrate, and other nitrogenous products. 37/ In Syria a small allocation for a nitrogenous fertilizer plant is provided for under the first stage of the Five-Year Industrialization Plan. 38/Similarly, a gas-fertilizer project in Iran, the contracts for which were signed in 1958, is expected, when completed, to supply the country with 90,000 tons of ammonium nitrate or 150,000 tons of sodium nitrate a year. 39/In Iraq the Development Board prepared studies for setting up a plant to produce 250,000 tons of ammonium sulphate a year and possibly also some ammonium nitrate. The plant will use natural gas for raw material and is expected to cost about ID 8 million. 40/

^{35/} Turkish Information Office, News from Turkey (New York), 1 April 1959.

^{36/} Turkey, Budget Speech, 19 February 1957.

^{37/} Turkey, Budget Speech, 20 February 1959.

Bureau des documentations syriennes et arabes, Etude mensuelle sur l'économie et le marché syriens, 25 November 1958.

^{39/} See chapter 2 on industry.

^{40/} Iraq Development Board, Third Development Week, 1958 (in Arabic).

Table 1. Consumption of Fertilizers, by Country (Thousands of tons)

Item	1954/55	1955/56	1956/57	1957/58 ^{a/}	1958/59 ^{b/}
Nitrogen (N) Cyprus Egypt (UAR) Iran Iraq and Jordan Israel Lebanon Sudan Syria (UAR) Turkey Total	2.9 112.1 0.3 d/ 9.6 4.6 9.8 4.6 9.5 153.4	3.2 115.2 0.3 d/ 12.0 4.8 16.5 5.1 6.4 163.5	3.6 123.3 0.7 0.3 d/ 11.6 5.6 19.1 3.5 10.8 178.5	3.9 157.3 c/ 1.6 0.3 d/ 14.1 6.0 19.4 4.2 14.0 220.8	4.4 157.4 c/d/ 1.8 d/ 0.3 d/ 14.3 6.0 d/ 19.5 d/ 4.2 16.7 224.6
Phosphoric acid (P ₂ O ₅) Cyprus	5.5 15.0 1.1 13.2 2.2 11.6 48.6	5.5 63.2 0.5 1.1 15.9 2.5 8.3 97.0	5.4 74.0 0.7 1.1 15.4 2.6 5.1 104.3	5.7 74.0 <u>a</u> / 2.7 1.1 <u>d</u> / 15.7 2.6 <u>d</u> / 6.4 108.2	5.8 71.0 c/d/ 2.8 d/ 1.1 d/ 16.0 d/ 2.6 d/ 17.5
Potash (K ₂ 0) Egypt (UAR) Israel Lebanon Turkey Cyprus, Iran, Iraq, Jordan and Syria	0.5 - 1.6 0.6	0.5 0.3 1.6 0.6	1.5 <u>c</u> / 37.9 1.9 6.1	1.5 <u>c/d/</u> 59.0 2.0 0.3	1.5 <u>c/d/</u> 60.0 <u>d/</u> 2.0 11.1
(UAR) Total	0.4 <u>e</u> / 3.1	0.7 <u>e</u> / 3.7	0.8 48.2	1.2 64.0	1.2 75.8

Source: Food and Agriculture Organization of the United Nations, An Annual Review of World Production and Consumption of Fertilizers, 1956, 1957, 1958 (Rome).

a/ Estimates.

b/ Forecasts.

<u>c</u>/ Calendar years 1957, 1958. 1959.

d/ Unofficial estimates.

e/ Cyprus and Syria only.

The use of agricultural machinery continued to grow in 1957, notably in Cyprus, Iran, Syria and Turkey (see table VI). In Iran in the year 1957/58 (beginning 20 March) the Plan Organization sold 800 tractors, as well as other agricultural machinery, to farmers on credit, with part payment in cash. The total value of the machinery reached 320 million rials (\$4.3 million), or ten times the value of sales during the previous year. Two repair and maintenance centres started operations in the same year and two others were under construction. 41/

The volume of agricultural credit advanced to farmers grew in most countries of the Middle East during 1957 and 1958 and several institutional developments took place. In Egypt, loans of the Agricultural and Co-operative Bank rose from £E 17.7 million during 1956 to £E 20.3 million during 1957, the rise occurring particularly in credit to co-operatives and for the purchase of fertilizers. In 1957 the Bank issued, for the first time, government-guaranteed bonds, bearing 3 per cent interest, to the value of £E 20 million. The bonds were taken up by the National Bank of Egypt, but their effect on the lending capacity of the Agricultural and Co-operative Bank was offset by the reduction in government deposits held by it. 42/ In Iran the loans of the Agricultural Bank almost trebled and rose from 120 mil $\overline{11}$ ion rials in 1955/56 to 353 million in 1956/57. 43/ In Israel, outstanding loans extended to agriculture by banks and credit co-operative societies rose from £I 157 million at the end of 1956 to £I 180 million at the end of 1957. A large part of the rise was due to the extension of loans to citrus growers, particularly by credit co-operatives. 44/ In Lebanon, the Banque de crédit agricole, industriel et foncier issued agricultural loans of LL 1.5 million in 1958, thus bringing outstanding loans of the bank to LL 15 million at the end of the year, most of which were advanced for the development of fruit and tree plantations and for small irrigation projects. 45/ In Syria, outstanding loans to agriculture increased considerably in 1957, rising from LS 93 million at the end of 1956 to LS 122 million at the end of 1957, of which the Agricultural Bank of Syria supplied LS 55 and LS 63 million, respectively. 46/ The Bank was able to increase its lending partly by rediscounting with the Central Bank of Syria, but mainly by borrowing directly from it. A law decreed in September 1958 raised the capital of the Agricultural Bank, which had stood at LS 41.5 million at the end of 1955, to LS 100 million, payable from government resources. In Turkey, outstanding agricultural credit rose from LT 1,892 million at the end of 1956 to LT 2,111 million at the end of 1957, and LT 2,160 million at the end of 1958. 47/ In the Sudan, an agricultural bank law was passed in 1956. An agricultural bank was expected to start operations in 1958; its capital was set at £S 5 million, of which £S 2 million were to be paid immediately by the Government upon the bank's establishment. 48/

^{41/} Bank Melli Iran, Balance Sheet (Tehran), 20 March 1958.

^{42/} National Bank of Egypt, Economic Bulletin, vol. XI, No. 2, 1958 (Cairo).

^{43/} Iran Press (Tehran), 23 December 1957.

^{44/} Statistical Abstract of Israel, 1957-1958.

^{45/} Commerce du Levant, 4 March 1959.

^{46/} Central Bank of Syria, Annual Report, 1957 (Damascus, 1958) (in Arabic).

^{47/} Turkey, Monthly Bulletin of Statistics; Budget Speech, 20 February 1959.

National Bank of Egypt, <u>Economic Bulletin</u>, vol. XI, No. 3, 1958; International Monetary Fund, <u>International Financial News Survey</u>, (Washington, D.C.), 17 May 1957.

Chapter 2

INDUSTRY

The development of industry in the Middle East in 1957 continued to make notable progress, both in the fields of mining and manufacturing and in the field of petroleum. 1/ Electricity production rose about 8 per cent in 1957 over 1956, and, as in the previous two years, the major manufacturing industries in the area expanded, although more progress was made in the construction and chemical industries than in the consumer goods industries. Production of major industries rose in 1957 at the rate of 4 per cent in the case of sugar, 5 per cent for cotton fabrics, 7 per cent for cigarettes and 13 per cent each in respect of paper and cardboard and cement. Such relatively new manufacturing industries as rubber tires and sulphuric acid showed much greater increases with the entry of Egypt and Israel, respectively, into these fields of production in recent years (see appendix tables VII and VIII). Mining, which is of importance mainly in Turkey and, to a lesser extent, in Cyprus, Egypt and Iran, has also continued to expand. Iron ore and chromium showed a particularly high rate of growth as a result of increased output in Turkey and the commencement of iron ore production in Egypt.

The rate of growth of output of manufacturing industry varied among the countries of the area and showed a rise in 1957 of about 6 per cent over 1956 in Egypt, 11 per cent in Israel and 10 per cent in Turkey (see table IX). The small-scale electricity, mining and manufacturing industries of Cyprus and Jordan probably grew at an even faster rate in 1957, but other countries in the area do not seem to have experienced comparable rates of expansion.

In 1958 industrial production in the Middle East showed uneven progress, with respect both to industries and countries. The political developments in Iraq and Lebanon affected production adversely, particularly in the latter country. Syria showed few signs of industrial growth, but embarked late in the year on a large industrial development programme. Egypt, Iran and Iraq started to reap some of the benefits of previous large industrial investments, but significant growth awaits completion of projects now under construction. 2/ In Turkey, both in 1957 and 1958, balance of payments difficulties slowed down the previous high rate of industrial investment.

The pattern of growth of industrial output in 1958 continued to show large gains in electricity and cement production in most countries of the area and modest progress in the food, tobacco and beverage industries. The textile industry, despite expanding capacity, showed signs of decreased activity in several countries of the area and mining output tended generally to show a fall, mainly as a result of reduced output in Turkey.

¹/ Developments in the field of petroleum are covered separately in chapter 3.

^{2/} See sections on various countries, below.

Egypt

Industrial production in Egypt in 1957 and 1958 continued to expand at a considerably higher rate than national income, and current plans for expanding industrial capacity should further accelerate the rate of growth in the immediate future. Production in 1957 registered a 5.6 per cent rise in manufacturing industry as compared with 6.8 per cent in 1956. The highest rises were in output of crude and refined petroleum, and paper and cardboard. Output of the major consumer goods industries, notably textiles, food processing and tobacco, rose slightly more than the average, but that of others, particularly tanning, furniture, and manganese and phosphate mining, experienced a strong setback during the year, the last mentioned as a result of the occupation for several months of the Sinai Peninsula by Israel. In 1958 industrial production moved up at a considerably faster rate, mainly due to still higher petroleum production and increased cotton processing, but also because of a greater output of textiles. Production of cotton-seed oil and sugar registered a sharp rise.

A large number of new industries introduced in 1955, and the expansion of existing industries, began, in the following years and particularly in 1958, to make a significant impact on the market and to ease the supply difficulties that had arisen subsequent to the Suez crisis late in 1956 and as a result of import restrictions. Such industries include production of electric bulbs, batteries, cables and tubes, radios, medical preparations, ceramics and china, iron ore, automobile and industrial spare parts, railway cars and rubber tires, and assembly of refrigerators. A steel mill with an output capacity of 265,000 tons per annum started production in 1958, using iron ore mined near Aswan. Significant expansion in capacity of petroleum refining, textile manufacturing and production of electricity and superphosphates also took place in 1957 and 1958.

The development of industry in Egypt took a major step forward with the approval in January 1957 and the immediate implementation of the Five-Year Industrialization Plan covering the years 1957 to 1961, in which several of the projects mentioned above are included. The plan envisages the expenditure of £E 250 million, of which £E 162 million are allocated for manufacturing industries, £E 21 million for mining, £E 35 million for development of the petroleum industry, £E 2.5 million for technical training and about £E 20 million as reserves. The whole plan is expected to raise income in the industrial sector in Egypt from about £E 100 million to £E 184 million by the end of the fifth year and to £E 235 million two years later, and to create employment for 120,000 workers. A decision was taken in 1958 to complete the execution of the plan one year ahead of schedule. 3/ To ensure the foreign exchange requirements of the plan, an agreement was signed with the Soviet Union in January 1958 providing for the purchase of equipment on credit to the value of £E 62 million, 4/ and another

^{3/} Ministry of Industry, Al Nahda Al Sina'iya, No. 1 (Cairo, 1958) (in Arabic) and speech of the President of the United Arab Republic, 27 November 1958.

Ministry of the Treasury, <u>Budget Speech</u>, 1958/59 (Cairo, 1958) (in Arabic). Utilized credits bear 2.5 per cent interest and are repayable in twelve equal annual instalments beginning in the year following the full supply of equipment of each project.

agreement was entered into with the Federal Republic of Germany providing for credits up to £E 46 million. 5/ In both cases, provision is made for the purchase of machinery and equipment at the prevailing world price levels. Other credits, including £E 7.5 million from Eastern Germany and £E 10.5 million from Japan obtained in 1958, create a surplus over the exchange requirements of the Five-Year Industrialization Plan. This surplus will be used in the industrialization programme of Syria (United Arab Republic). 6/ The value of import substitutes produced annually by the new industries is expected by 1962 to exceed the annual instalments of these loans by £E 46 million and to equal £E 80 million when the industries reach full productive capacity. 7/

A break-down of the actual expenditure under the Five-Year Industrialization Plan for 1957 is not available, but total investments in industrial enterprises, mostly within the framework of the plan, reached £E 12.7 million, of which £E 7.6 million represented an increase in the capital of the iron and steel company, £E 3 million an increase in the paid-up capital of the cotton spinning industry, and £E 1.6 million paid-up capital of new mining, oil and other companies. 8/ Private industrial companies increased their capital by £E 4.9 million during 1957 and by a further £E 1 million during the first four months of 1958. 9/ Late in 1958 a contract was signed between the Bank Misr and an Italian firm for the construction by 1960 at a cost of £E 2 million of a caustic soda plant with a production capacity of 20,000 tons. Another contract was signed by the bank with Eastern Germany to supply machinery worth £E 3 million for a spinning mill of 100,000 spindles. The total cost of this project, which is expected to employ 4,000 workers, is estimated at £E 4.5 million. 10/

Projects contracted for with the Soviet Union in December 1958, and for which equipment is now being shipped, include several mining industries, five airports in the mining regions, an electric power plant at Suez and a butter factory. 11/ Early in 1959 another project contract was signed with the

^{5/} Ibid. The total is composed of credit up to £E 33.5 million, repayable over a period of ten years, for long-term projects, and of £E 12.5 million, repayable in five years, for the construction of small industries.

^{6/} Speech of the President of the United Arab Republic, 27 November 1958.

^{7/} Ibid.

^{8/} National Bank of Egypt, Economic Bulletin, vol. XI, No. 2, 1958 (Cairo).

^{9/} Budget Speech, 1958/59.

^{10/} Middle East Economist, January 1959.

^{11/} Statement of the Minister of Industry, Bureau des documentations syriennes et arabes, L'économie et les marchés des pays arabes, 31 January 1959.

Soviet Union providing for the construction within three years of a shipping yard at Alexandria at a total cost of £E 3.6 million. 12/ One was also signed with the Federal Republic of Germany providing for setting up a truck and diesel engine plant with an initial capacity of 3,500 heavy trucks and 4,000 diesel engines. Equipment to be supplied for this plant will cost £E 4 million and plans have been made to double its output capacity and also to produce tractors. 13/

An important development in the field of public control and financing of industrial and other business activities was the creation in January 1957 of the Economic Organization. This organization purchased some of the firms and foreign equity capital sequestrated during the Suez crisis - £E 23.7 million by the end of 1957 - and took charge of the public interest in companies in which the Government participated - £E 24.6 million in January 1957. It also participates in, or establishes, certain projects which the private sector does not undertake on its own and did, in fact, by the end of 1957, invest £E 8.8 million in the capital of twenty companies, including £E 3 million in a shipping company, £E 1.2 million in two banks, £E 1 million in a petroleum company, £E 1 million in four mining companies and £E 1.7 million in four other industrial companies. 14/ Purchases of sequestrated property were expected to reach £E 45.5 million by the end of 1958. 15/

Other regulations affecting industrial development were issued in April 1958, mainly with the purpose of co-ordinating the public and private sectors. They subjected all industrial development or change to licensing by the Ministry of Industry and provided for assistance to private entrepreneurs in establishing new industries.

As a result of this reorganization, the role of the Industrial Bank in supplying equity capital to industry was reduced to one of minor importance in 1957, but the bank's loans and advances to industry expanded substantially during the year, reaching £E 2.6 million compared with £E 0.7 million during 1956 and £E 1.8 million in 1955. $\underline{16}$ / The chemical and metal industries and the textile industry were the main recipients of the increase in the volume of credit.

Iran

Industrial production in 1957 and 1958 continued to expand in the fields of electricity and manufacturing, as some of the projects started earlier by the

^{12/} El Ahram (Cairo), 19 January 1959.

^{13/} Middle East Economist, January 1959.

^{14/} Budget Speech, 1958/59.

^{15/} National Bank of Egypt, Economic Bulletin, vol. XI, No. 2, 1958.

^{16/} Budget Speech, 1958/59. Participation of the Industrial Bank in capital of industrial companies totalled £E 0.06 million in 1957 compared with £E 1.5 million in 1956 and £E 0.9 million in 1955.

Plan Organization were completed, but mining of ores other than chromium was stagnant or fell below the 1956 level, mainly as a result of lower international prices and high transportation costs (see table VIII). 17/

Electricity generating capacity is estimated to have risen by 7 per cent in 1956 and by a further 10 per cent in 1957. 18/ Developments in the food industry included the completion of a milk pasteurization and dairy plant with a daily capacity of sixty tons, which was constructed in co-operation with the United Nations Children's Fund (UNICEF) and which started production in November 1957, the resumption of fish canning at the rate of 300,000 tons of fish and 4,000 tons of fish powder in Bandar Abbas on the Persian Gulf, and a rise in sugar production of 26 per cent to 95,000 tons in 1957/58 with the opening by the Plan Organization of one sugar mill in May 1957 and twelve others in December of that year. Two new cement plants at Rey and Asfahan, with a combined annual capacity of 180,000 tons, were expected to start production in 1958. 19/

A large number of industries now under construction should help maintain the rate of growth of industrial output in 1959/60. These include several sugar mills being planned or constructed by two private firms with a combined capital of 800 million rials (\$10.7 million), 20/ a canning factory scheduled for completion in 1959 and several fruit processing plants under construction by the Plan Organization. 21/ The Plan Organization is undertaking a large programme of modernization and expansion of the textile industry with the aim of doubling production capacity and thus satisfying the major part of local demand. Projects in progress include the addition of 60,000 spindles to the Shahi and Tehran textile mills, the construction of another textile mill with 30,000 spindles and a capacity of 26 million metres of fabrics, of a finishing plant with a 50 million metre capacity and of a burlap plant with a 7.5 million metre capacity. The latter three, all at Shahi, are well under way and are expected to start production in 1959. 22/ To satisfy the rising private demand and the expected demand of the various public projects, two cement plants with a combined capacity of 270,000 tons were under construction in 1958 and are expected to start production in 1959.

The largest industrial project scheduled for construction in Iran at present is the complex natural gas fertilizer project at Shiraz. It involves the construction of a ten-inch, 140-mile pipeline to carry gas from the oilfields, the distribution of the gas to industrial and other consumers in Shiraz City and the establishment of a fertilizer factory with a capacity of 90,000 tons of ammonium nitrate or 150,000 tons of sodium nitrate per annum. The project, which

^{17/} Iran Press, 23 December 1957.

^{18/} Plan Organization (unpublished data). The estimates exclude the generating capacity of the National Iranian Oil Company.

Bank Melli Iran, Balance Sheet, 20 March 1958, and Plan Organization, Historical Review, September 25, 1955 to March 20, 1958 (Tehran).

^{20/} Ibid.

^{21/} Plan Organization, op. cit.

^{22/} Ibid.

is estimated to cost \$29 million, is being undertaken by the National Iranian Oil Company and the Ministry of Industry, and the contracts for its implementation were signed late in 1958 with several foreign firms. 23/

To encourage private entrepreneurs to enter the industrial field, the Plan Organization offered in 1958 to sell various industrial manufacturing plants owned by the Government. In addition, a large part of the fund of 7,109 million rials (\$93.8 million) made available as a result of the revaluation of the currency cover has been allocated by the Higher Economic Council to help finance private industrial projects. By March 1958 seventy-eight applications for loans totalling 1,728 million rials (\$22.8 million) had been approved and actual authorizations had been made for twenty-three loans totalling 527 million rials (\$7 million). Entrepreneurs who benefit from these loans must supply at least 30 per cent of the total capital of their projects from their own resources. 24/

Following the effective introduction in 1956 of a foreign investment law guaranteeing the repatriation of the original capital and of profits of foreign investments, foreign investors showed some interest in participating in industrial development. A notable project, approved by the Government in 1958, is a large rubber tire factory, construction on which was scheduled to start in November 1958 and to be completed by July 1960. In partnership with private Iranian entrepreneurs, the project has been undertaken by a United States firm which has obtained a guarantee of its investment up to \$16.7 million from the United States Government. 25/

Iraq

In Iraq, production of private industry, although small, continued to grow during 1956 and 1957, but may have experienced a setback during 1958 as the result of political developments. Consumption of electricity by industry in Baghdad, where most of the factories are concentrated, rose by about 23 per cent in 1956 and by a further 13 per cent in 1957. 26/ The main developments, however, related to the industrial, mining and electricity projects of the Development Board, the actual expenditure on which jumped from ID 3.42 million in 1956/57 (year beginning 1 April) to ID 7.48 million in 1957/58, and was estimated at ID 5.36 million in 1958/59. 27/

Several major industrial projects were completed by the Development Board during this period and others were under construction. 28/ A textile factory at

^{23/} The Economist Intelligence Unit, Ltd., Three-Monthly Economic Review, Iran, January 1959.

^{24/} Bank Melli Iran, Balance Sheet, 20 March 1958.

^{25/} United States Department of Commerce, Foreign Commerce Weekly (Washington, D.C.), 20 October 1958.

^{26/} Ministry of Economics, Statistical Abstract of Iraq, 1957 (Baghdad).

^{27/} Unpublished data supplied by the Development Board.

Z8/ Iraq Development Board, Second Development Week; Third Development Week (in Arabic); Monthly Progress Report of the Third Technical Section, September 1958 (Baghdad).

Mosul with 25,000 spindles and a capacity of 20 million metres of cotton fabrics was completed in 1957 at a cost of about ID 3 million, and started production in 1958. It doubled the output capacity of the Iraqi textile industry and will satisfy over one-third of the country's requirements. Two cement factories were built; one near Sulaimaniyah was completed in 1957 and started production during 1958 at the rate of 108,000 tons a year, and another near Mosul with the same capacity was ready to start production late in 1958. The combined cost of these two factories and their related housing schemes reached ID 6.5 million. A sugar refinery near Mosul, with a capacity of 35,000 tons per annum or about one-fourth of the country's consumption of sugar, was scheduled for completion at the end of 1958 and is estimated to cost ID 2.35 million.

Projects well under construction in 1958 included three electricity generating plants, one near Kirkuk with an initial capacity of 60,000 kilowatts, another near Baghdad with a capacity of 80,000 kilowatts, and the third in Basra that will have a capacity of 45,000 kilowatts. The three are scheduled for completion by the end of 1959. Of the studies undertaken by the Board, a mineral survey of Iraq reached its fourth year in 1958 and showed the existence of large deposits of phosphates and sulphur that can be commercially exploited. The industrial programme of the Development Board in progress in 1958 was not interrupted by the political changes in Iraq in the second half of the year.

Israel

Cutput of manufacturing and mining industries in Israel moved upward in 1957 and 1958 at the rate of about 12 per cent per annum following level output during most of 1956 and a drop during and after the Suez crisis. The gross value of total output, at 1957 prices, similarly rose by 12 per cent from £I 1,517 million to a provisionally estimated £I 1,700 million in 1958. Added value in the industrial sector represented about 35 per cent of the gross value of output in both years. Employment in industry, on the other hand, rose by about 4 per cent in 1957 by about 5 per cent in 1958, the number of workers employed reaching 145,000. 29/ Thus the greater rise in income and in value of output indicates a rise in productivity per worker.

Particularly large rises were noted in the production of minerals, such as potash, bromide and phosphates, where the investments of previous years became effective. Electricity production fell slightly in 1957 despite a 14 per cent rise in industrial consumption, but picked up in 1958 with the opening in April of a new 50,000-kilowatt power station at Ashdod. 30/ Output of manufacturing varied among the different industries, showing large increases in the vehicle assembly and electrical appliance industries and a fall in output of leather products and diamonds (see tables VIII and IX). The rise in local demand for durable goods and

^{29/} Reply of the Government of Israel to the United Nations questionnaire of 1958-1959 on economic trends, problems and policies.

This plant represented an addition of 19 per cent to the 1957 installed capacity. Two plants of similar capacity were scheduled to start production late in 1958 and in 1959 (The Economist Intelligence Unit, Ltd.,

Three-Monthly Economic Review, Israel, July 1958; United Nations, Statistical Yearbook, 1958 (sales number: 58.XVII.1)).

construction materials contributed to the expansion in their output, while weaker demand for diamonds in the American market was the main cause of the fall in output of this item. The expansion in output of other manufactured products was helped by a substantial rise in exports of about 40 per cent in the period 1957/58 over the level of previous years, the main increases being in exports of woollen yarn, apparel, cement, rubber tires and cardboard.

Gross investment in industry in 1957 is estimated at £I 123 million, compared with £I 112 million in 1956, which represents a 10 per cent rise at current prices or a 5 per cent rise at constant prices. Most of the investment was made by existing establishments, largely for replacements, rather than in new enterprises. The share of the Government in this investment fell from 32 per cent in 1956 to 29 per cent in 1957. 31/ As a proportion of total gross domestic capital formation, investment in industry fell from 18 to 15 per cent. 32/ In 1958 gross investment in industry is estimated to have risen by a further 10 per cent at current prices. 33/

Jordan, Lebanon and Syria

In Jordan, industrial development moved forward as several projects undertaken by the Government with wide-spread private participation were completed. A survey in 1958 showed that the industrial labour force increased from 8,000 in 1954 to 13,400 in 1958, 34/ or at an average rate of 17 per cent per annum. Cement production at 107,000 tons in 1957 was 35 per cent above the relatively low figure of the previous year, and rose further by 5 per cent in 1958. Phosphate production also rose by 26 per cent in 1957 and 12 per cent in 1958, reaching a record of 294,000 tons. However, difficulties of transport, which were due to the political disturbances in 1958, reduced exports. Projects under construction in 1958, to be completed in the following year, included a pilot potash plant on the Dead Sea, with a capacity of 5,000 tons, a beer factory which has already started production, and a tannery near Zarka. A contract was signed for the construction of a small oil refinery with a capacity of 300,000 tons, scheduled to start production in October 1960. 35/ A two million dollar electricity plant and ancillary works in the Amman area are to be undertaken in 1959 and are financed to the extent of \$1.2 million by a loan from the United States Development Loan Fund. 36/

Bank Leumi Le-Israel, Review of Economic Conditions in Israel (Tel Aviv),
July 1958. For the adjustment of prices, the index of building costs was used.

^{32/} Gross domestic capital formation reached £I 628 million in 1956 and £I 806 million in 1957 (Statistical Abstract of Israel, 1957 and 1957-1958).

Reply of the Government of Israel to the United Nations questionnaire of 1958-1959 on economic trends, problems and policies.

^{34/} Commerce du Levant, 11 February 1959.

Office of the United Nations Technical Assistance Board in Jordan; Reply of the Government of Jordan to the United Nations questionnaire on economic trends, problems and policies, 1958-1959; United States Department of Commerce, Foreign Commerce Weekly, 30 March 1959.

The loan is repayable in Jordanian currency over a ten-year period and bears 5.75 per cent interest per annum (United States Department of State Press Release, February 1959).

In Lebanon, a period of expanding production in all the main industries except textiles during 1957 was followed by a general drop in output in 1958 as a result of the interruption of normal economic activity during the political disturbances in the summer of that year. The textile industry suffered most in 1958 with a drop of about one-half its 1957 output. Cement production fell by 10 per cent to 506,000 tons as a result of an equivalent fall in building construction. 37/ Electricity output, which fell by about one-third during the summer, both as a result of the drop in industrial demand and of the damage caused to one of the major generating plants, picked up its rate of production later in the year. At the end of 1958 the second extension of the Zouk Michail electricity plant was completed, thus adding 30,000 kilowatts, or about 30 per cent, to national generating capacity. 38/

In Syria, industry during 1957 and 1958 showed little sign of growth, although a few projects and large development plants were started in the latter year. In 1957 a fall was recorded in the output of several major industries such as cement, sugar, glass and asphalt mining, and a further fall occurred in cement production in 1958. Electricity output outside private industry showed a 10 per cent rise in 1957 but fell by 4 per cent in the first three quarters of 1958. 39/ It is expected to rise, however, with the inauguration late in the year of a small hydroelectric plant with a capacity of 6,500 kilowatts and of another plant in Aleppo early in 1959. To encourage the development of industry, the Government established an Industrial Bank with a share capital of LS 12.5 million, of which the Treasury subscribed LS 3.125 million and the Central Bank of Syria LS 1 million. The remainder was offered in January 1959 to private institutions and to the public and was taken up immediately. 40/

An important development in the period under review was the drawing up of extensive plans for the development of Syrian industry within the next five to ten years. The general Ten-Year Development Plan of Syria, decreed in September 1958 and envisaging the expenditure of LS 2,140 million in the period 1958/1959 to 1967/1968, of which LS 619 million will be in foreign exchange, made provision for establishing several industrial projects. These included the establishment of the Industrial Bank, referred to above, and the construction of chemical and fertilizer factories, to all of which LS 60 million are allocated. They also included the completion of the oil refinery which is now under construction and to which LS 70 million are allocated, a geological survey already being undertaken by Soviet Union technicians, and several hydroelectric projects to be undertaken in conjunction with large-scale water control and irrigation projects. 41/

The Five-Year Industrialization Programme of Syria, which was inaugurated in November 1958, envisages the expenditure of LS 560 million, of which LS 336 million will be in foreign exchange. The plan, as a whole, is expected at the end of the period to raise national income in the industrial sector by LS 187 million, or about

^{37/} Commerce du Levant, 4 March 1959.

^{58/} The Economist Intelligence Unit, Ltd., Three-Monthly Economic Review, Syria, Lebanon, Jordan, November 1958 and February 1959.

^{39/} Statistical Abstract of Syria, 1957 (Damascus); Statistical Office of the United Nations, Monthly Bulletin of Statistics.

Bureau des documentations syriennes et arabes, <u>L'économie et le marché syriens</u>, 25 February 1959.

^{41/} Law No. 133, 1 September 1958.

37 per cent above its level in 1957, and to create 25,000 industrial jobs. 42/
The Programme allocates IS 266 million for the development of the oil industry
through further exploration of the newly-discovered north-eastern fields, the
construction of pipelines and the establishment of a small refinery near the oil
field in Kamishli. An amount of IS 217 million is allocated for a number of
textile factories - including four spinning mills, with a total of 88,000 spindles,
and three weaving mills - several food-processing factories, a nitrogenous
fertilizer plant, and paper, artificial silk, spare parts, radio assembly and
various other manufacturing industries. The Programme also provides for the
establishment of a technical training centre at a cost of IS 14 million. Other
allocations include IS 2.5 million for mining and IS 60.5 million as reserves.

Turkey

Industrial output in Turkey continued to move upward in 1957 and 1958, particularly in the fields of electricity and cement, but there were indications of a slowdown in 1958 in the major industrial sectors and an actual fall in production in several mining industries and in cotton textiles. National income at constant prices in the industrial sector as a whole in 1957 was estimated at 7.4 per cent above 1956, 43/ but the rise was probably smaller in 1958. New investments in industry fell considerably, however, both in 1957 and 1958, as a result of import difficulties.

Electricity output continued to rise during the period at the rate of about 12 per cent, as generating plants constructed earlier came into production. In 1958 output reached 2.3 billion kilowatt-hours 44/ as compared with 2.06 billion in 1957 and 1.82 billion in 1956 (see table VIII).

Output of the mining and mineral products industries has tended to fluctuate and, except for coal and iron ore, generally fell in 1957 and fell further in 1958 as compared with 1956 (see tables VIII and IX). Coal production rose by 7 per cent to 3.97 million tons in 1957 and by a further 3 per cent to 4.1 million in 1958. Iron ore production rose by 25 per cent in 1957, due mainly to expansion of private mines, but probably just maintained that high level in 1958. Output of chromium, which is one of Turkey's important exports, rose by 17.5 per cent in 1957, but dropped sharply in 1958 when private production fell by 38 per cent. Steel output fell from the 1956 record of 193,000 tons to 176,000 tons in 1957 and further to 162,000 tons in 1958. 45/ Production of sulphur, lead, coke, marganese and superphosphates also followed a downward trend.

^{42/} Statement of the Minister of Industry of the United Arab Republic, Bureau des documentations syriennes et arabes, L'économie et le marché syriens, 25 November 1958. It is noted that some of the projects, such as the fertilizer factory and the geological survey, appear both in the Ten-Year Plan and the Five-Year Industrialization Programme. The sources of financing the Industrialization Programme are not indicated.

<u>Mational Income of Turkey, 1948-1957</u> (Ankara); United Nations, <u>Monthly Bulletin</u> of Statistics, September 1958.

Reply of the Government of Turkey to the United Nations questionnaire on economic trends, problems and policies, 1958-1959.

^{45/ &}lt;u>Ibid</u>.

Output of manufacturing industry expanded considerably following a slowdown in 1956, the general index of manufactures showing a 10 per cent rise in 1957. Noticeable gains of 10 per cent or more were registered in the case of such consumption industries as sugar, beer, cigarettes and paper. Development of the cement industry was particularly rapid as several plants constructed earlier came into production, raising output by 30 per cent in 1957. In 1958 further increases in output were registered in the consumption goods industries, although the rate of growth was generally lower than that of the previous year. Cutput of the cotton textile industries slipped back following some improvement in 1957. Cement continued to be the fastest growing industry with an addition of 20 per cent to its 1957 record. Cutput reached 1,516,000 tons in 1958, which enabled Turkey to dispense almost completely with imports.

Expanding industrial capacity continued during the period under review and industrial projects under construction in 1958 included a copper products plant near Istanbul, which is expected to start production in 1959 at an annual rate of 3,500 tons of wire, cables, sheets and other products, a nitrogenous products plant, several textile mills and porcelain products and sanitary equipment factories. 46/

Over-all investment in industry in 1957 fell considerably for the first time since 1953, as indicated by the estimates of capital formation in machinery and equipment which totalled IT 657 million in 1957 as compared with LT 845 million in 1956 and LT 786 million in 1955. The drop occurred despite a rise in domestic capital formation because of the large fall, of about one-third, in imports of machinery and equipment, a reflection of the international payments position of Turkey. Adjusted by the wholesale price index of import commodities, the fall in industrial investment at constant prices was almost 30 per cent in 1957. In 1958 a further fall of about 12 per cent occurred in imports of machinery and equipment. To encourage domestic investment in industry, the Industrial Bank of Turkey expanded its extension of credit to industry during 1957 and 1958. Thus, outstanding loans of the bank rose from LT 162 million at the end of 1956 to LT 180 million at the end of 1957 and LT 219 million at the end of September 1958. 47/

^{46/} Budget Speech, 22 February 1958 and 20 February 1959.

^{47/} Central Statistical (ffice, Monthly Bulletin of Statistica (Ankara), November 1958.

Chapter 3

PETROLEUM

Production and refining

After the check to production brought about by the Suez crisis late in 1957 and by the interruption of oil flow through the Suez Canal and through pipelines, the petroleum industry of the Middle East resumed its rapid expansion in the second quarter of 1957 following the re-opening of the Canal in April and of the pipelines through Syria in March. By June 1957 production regained the pre-Suez rate and maintained it during the rest of the year, and in 1958 output expanded further (see table 2). As a result, output in 1957 rose 3.7 per cent above the 1956 level and in 1958 reached 214 million tons or 20.7 per cent above 1957. Total production of the Middle East, as a share in world production, rose to 23.6 per cent in 1958, as compared with 20 per cent in 1957, 20.3 per cent in 1956 and 20.9 per cent in 1955.

The main contributors to the large rise in oil production in the period under review were Iran and Kuwait, which made up for the large drop of 30 per cent in the production of Iraq in 1957 and accounted for half the total Middle East rise in production in 1958. The rebound of Iraq's output accounted for another 37 per cent of the 1958 rise (see appendix table X). Of the major producers in the area, Saudi Arabia made up, in the course of the remaining part of 1957, for the fall in production during the crisis, but recorded a rise of only 2.3 per cent in output in 1958 - far below the average rise for the area as a whole. This may be attributed, in part, to the voluntary quota restrictions on imports of oil adopted in August 1957 by the United States. Qatar and the Neutral Zone on the Persian Gulf raised production substantially in both 1957 and 1958, attaining an output of 8.2 and 3.8 million tons, respectively, in 1958.

Although producing relatively small quantities, other oil producing countries have been expanding their output at a high rate. Thus, in 1958, Egypt's output passed the 3 million ton mark and Bahrain's was 27 per cent higher at 2 million tons. A new entrant into the oil production field in the Middle East was Syria, where the Karachuk Field, discovered in 1958 in the north-east area of the country, is estimated to have an output capacity of about 2 million tons per annum. 1/

Exploration and drilling in new oil fields were resumed after a slowdown in the early part of 1957, and several discoveries raised estimates of crude reserves considerably. In particular, drilling in the Neutral Zone raised estimated reserves from less than 100 million tons in 1956 to 721 million tons at the end of 1957 and to about 1,930 million tons in 1958, or about 8 per cent of total Middle East reserves. 2/ Offshore drilling, conducted in several areas of the Persian Gulf, led to discoveries in two offshore fields by the Arabian American Oil Company in 1957

Statement by the Vice-President of the United Arab Republic, Commerce du Levant, 21 January 1959.

^{2/} The Economist Intelligence Unit, Ltd., Three-Monthly Economic Review, Iraq and the Arabian Peninsula, July and October 1958; Petroleum Times (London), 10 April 1959.

Table 2. Production of Crude Petroleum, Selected Countries (Thousands of tons; per month or monthly average)

Index (third quarter Total 1956 = 100)	15,715 100.0 16,280 103.6 8,635 54.9 10,174 64.7	11,160 71.0 10,882 69.2 11,662 74.2 12,846 81.7 15,045 95.7 16,556 105.9 16,148 102.7	16,857 107.3 17,065 108.6 18,517 116.6 18,742 119.5
Saudi Arabia	4,214 4,367 2,884 2,858	2,754 2,849 3,849 4,551 4,668	4,126 3,862 4,253 4,252
Oatar	507 529 348 474	507 458 494 417 515 613	655 682 688 716
Neutral Zone	1.70 1.84 94 1.24	170 178 178 178 264 264 360	334 292 340a/ 445a/
Kuwait	5,070 5,124 2,512 3,495	5,869 5,828 5,559 7,925 4,775 5,451 5,118	5,561 5,758 5,856 6,233
Lraq	5,110 5,155 741 897	923 1,506 1,665 1,734 1,753 2,100 2,431	2,509 2,838 5,207 5,217
Iran	2,344 2,625 2,111 2,153	9,707,705 9,604 1,009 9,604 1,009 1,009 000,000	3,280 3,206 5,515 ₀ 5,558 <u>0</u>
Egypt (UAR)	174 168 21 45	106 135 151 193 221 242	245 258 284 271 <u>-</u> 7
Bahrain	126 128 124 124	128 115 127 123 141 144	147 167 174 190
Period	1956 Third quarter	J95/ January	1958 First quarter Second quarter Third quarter Fourth quarter

United Nations, Monthly Bulletin of Statistics, December 1957, July and December 1958, April 1959. Source;

 $[\]underline{a}/$ Average of November and December. $\underline{b}/$ Month of October.

and early 1958, and to a further find off the Trucial Coast of Cman by the Abu Dhabi Marine Areas company in September 1958. 3/ In Egypt a field was discovered at Abi Rudeis in Sinai and was in production in 1957 at the annual rate of 600,000 tons. 4/ In Turkey, oil was found at Kahta in the south-east, in unknown quantities. In Yemen prospecting by a Czechoslovakian firm was reported, 5/ tut neither in Yemen, nor in Jordan or Lebanon has oil drilling so far shown any results.

Despite the lack of significant additions to refining capacity in the Middle East, output of major refined products in 1957 expanded at the rate of 7 per cent, reaching 45 million tons, mainly as a result of the continued rise in the use of existing capacity of the Abadan Refinery in Iran. This rate of growth is, however, much lower than the 12 to 13 per cent rate that prevailed in previous years. proportion of the Middle East output of oil which is refined in the area thus fell in 1957 and the trend continued in 1958. However, the completion, at a cost of £14 million, of two large distillation units in Kuwait in March 1958, 6/ with a combined capacity of 8 million tons per annum, or over 13 per cent of total Middle East refining capacity, as well as the completion of a refinery in the Neutral Zone of 1.5 million tons capacity, raised production substantially in 1958. In addition, two small refineries, one in Syria of 1 million tons capacity per annum and another another in Jordan of 0.3 million tons, are under construction and are scheduled to start production in 1959 and 1960, respectively, and two units in Suez and Alexandria, to be constructed under the Soviet Union loan agreement, will raise refining capacity in Egypt by 2 million tons by 1962. 7/

Consumption of refined products in the area is estimated to have risen in 1957 by more than 7 per cent over 1956, with the largest increases occurring in Iran (17.1 per cent), Israel (10 per cent), Kuwait (10 per cent) and Turkey (12.1 per cent). A much higher rate of increase of inland consumption is indicated in 1958, with Iran's consumption rising 13.5 per cent over 1957 and Kuwait's, including that of the refineries, rising by 24 per cent. 8/

Revenue and new concessions

Oil revenue in the period under review moved generally in line with production, showing a rise of 6.7 per cent in the years 1956-1957, followed by a sizable increase in 1958 of 20 per cent over 1957. This brought the total revenue of the major producing countries of the Middle East to \$1.06 billion in 1957 and to about

^{3/} Ibid. One well drilled near Abu Dhabi flowed at the rate of 2,400 barrels per day (about 1.2 million tons per annum) following the expenditure of £5 million.

^{4/} Egypt, Ministry of Industry, Al Nahda Al Sina'iya, No. 1 (in Arabic).

The Economist Intelligence Unit, Ltd., Three-Monthly Economic Review, Iraq and the Arabian Peninsula, January 1959.

^{6/} Petroleum Press Service (London), February 1959.

^{7/} Egypt, Ministry of Industry, Al Nahda Al Sina'iya, No. 1. A small refinery in Alexandria, with a capacity of 200,000 tons, started production in 1957.

^{8/} World Petroleum Report (New York), 1958; Petroleum Press Service, March 1959; unpublished data on Kuwait.

\$1.27 billion in 1958. Losses due to the Suez crisis were particularly notable in Iraq in 1957, and the increases were correspondingly higher in Iran and Kuwait (see table 3). The rise in revenues of local Governments was at a slightly higher rate than that of production in both 1957 and 1958, a fact to which a 4 to 6 per cent increase in posted prices of crude in the Persian Gulf in 1957 and a 2 to 3 per cent increase in 1958 may have contributed. A large drop in posted prices of about 9 per cent early in 1959 may partly offset the expected rise in revenues in that year.

Revenue of countries through which the oil passes on its way to western Europe dropped noticeably in 1957, as a result of the interruption of Suez Canal traffic in Egypt and of the destruction of pumping installations in Syria. A large rise in 1958 brought such revenue up to \$89.4 million, or 70 per cent above 1957, the rise being due mainly to the large volume of oil shipped through the Suez Canal (see table 4).

In Iran actual revenue rose from £47.4 million in the fiscal year 1956/57 (beginning 20 March) to £71.8 million in 1957/58. 9/ Revenue for 1958/59 was estimated at £85.3 million 10/ but may have slightly exceeded that sum. In Iraq, following a drop of 29 per cent in 1957, oil revenue rose again in line with production and reached £79.9 million in 1958; back payments of about £4.5 million were also made in the same year. 11/ In both years Saudi Arabia showed small rises, but Kuwait received the greatest revenues and passed the \$400 million mark in 1958.

Several concession agreements were signed in the period under review involving profit-sharing arrangements which deviated from those previously in effect. A common feature of these agreements is that, while the oil producing countries will receive more than 50 per cent of the profits from oil activities, including those from refining and marketing, minimum expenditures and down payments by the concessionaires are generally low. Thus, in Iran, under the Petroleum Law of 21 July 1957, which authorized participation with private companies in the exploration and exploitation of oil in regions outside the consortium concession area, the National Iranian Oil Company signed a twenty-fiveyear agreement with the Italian firm, Agip Mineraria, providing for the creation of a joint company and for equal sharing of profits from oil production in certain concession areas. In addition, it provided for the sharing of the remaining half of the profits in proportion to the National Iranian Oil Company's participation in the capital of the joint company, which according to the agreement, was fixed at 50 per cent. 12/ Another agreement, ratified in June 1958, was made with Pan-American, a subsidiary of Standard Oil of Indiana, on the same basis, but included

^{9/} Bank Melli Iran, Balance Sheet, 20 March 1958.

^{10/} Bank Melli Iran, Bulletin (Tehran), June 1958.

Reply of the Government of Iraq to the United Nations questionnaire on economic trends, problems and policies, 1958-1959.

Bank Melli Iran, Bulletin, August-September 1957. Minimum investment by the company is put at \$6 million in the first four-year period and \$2 million in each of the following eight years.

Table 3. Estimates of Oil Revenue $\frac{a}{}$ in the Middle East, by Country (Millions of dollars)

Year	Bahrain	Iran	Iraq	Kuwait	Qatar	Saudi Arabia	Tota]
1950	• 3	45	15	12	1	112	188
1951	. 3	23 <u>b</u> /	38	30	4.	155	253
1952	. 4	-	110	165	9	211	499
1953	• 5	-	144	192	18	215	574
1954	. 8	9	191	220	23	225	678
1955	. 8	90	206	305	35	274	918
1956	. 8	152	193	306	38	283	980
1957	. 6	214	137	365	44	291	1,057
1958 c/	. 6	246 a/	237 <u>e</u> /	415	60	304	1,269

Source: Estimates of the United Nations Bureau of Economic Affairs, based on various sources.

Approximate figures, including royalties, rents, fees, income taxes and back payments.

b/ Estimate based on the ratio of petroleum production in 1951 to that in 1950.

c/ Preliminary figures.

 $[\]underline{d}/$ Excluding a special advance payment of \$25 million from a new concession.

e/ Including \$12.6 million in back payments.

Table 4. Revenue from Oil Transport of the Middle East, by Country
(Millions of dollars)

Year	Syria ^a /	Egypt ^b /	Lebanon ^c /	Jordan ^d /	Total
1950	. 0.4	<u> 3</u> 8.6	0.1	0.3	39.4
1951	. 0.6	34.0	0.3	0.6	35.5
1952	. 0.7	37.7	1.4	1.4	41.2
1953	. 3.6	40.6	0.7	1.0	45.9
1954	. 2.2	45.1	1.1	1.0	49.4
1955	. 2.9	50.8	2.4	1.0	57.1
1956	. 15.8	49.3	1.4	1.0	67.5
1957	. 9.1	41.0	1.4	1.0	52.5
1958	. 15.5	71.6	1.3	1.0	89.4

Source: Estimate of the United Mations Bureau of Economic Affairs.

Syrian pounds converted to dollars at the rate of 3.8 to the dollar for 1950 to 1952 and 3.6 thereafter.

b/ Estimated receipts from dues on north-bound oil and on south-bound tankers in ballast, passing through the Suez Canal.

c/ Lebanese pounds converted at the rate of 3.7 to the dollar for 1950 to 1952 and 3.2 thereafter.

d/ Royalties on transit of oil in pipelines; figures for 1954 and 1955 are budget estimates.

a cash payment to Iran of \$25 million. $\underline{13}$ / An agreement on the same lines was also signed with a Canadian firm, Sapphire Petroleums, covering a small concession area both inland and offshore.

Other significant concessions, which also incorporate new revenue features, were granted by Saudi Arabia and Kuwait to the Japanese Petroleum Export Company in the Neutral Zone, which lies between the two countries. Under the agreement with Saudi Arabia on the undivided half share, signed in December 1957, the Government will receive royalties and taxes of at least 56 per cent of net profits from the total activities of the company following the discovery of oil, that is, from the sale, refining, marketing and transportation of the oil. 14/ According to the complementary agreement of May 1958, Kuwait will receive 57 per cent of net profits from the integrated operations of the company, in addition to other similar benefits. 15/

The discovery of oil in offshore areas in 1957 and 1958 stimulated bidding for offshore concessions and tended to improve the terms offered. Both the Italian concession in Iran and the Japanese concession in the Neutral Zone include offshore areas in the Persian Gulf. The declaration by Iraq in November 1958 that its territorial waters extended to twelve nautical miles may be of significance to the Government, since it was reported that the Basra Petroleum Company relinquished its concession rights in territorial waters as part of the relinquishments of the oil companies in Iraq in accordance with the 1951 agreement. 16/

In Egypt, a concession covering a wide region in Sinai, including offshore areas, was granted to the Egyptian Eastern Petroleum Company, which is financed, to the extent of 49 per cent of its capital, by Egypt's General Petroleum Company and also by a Belgian firm, an Italian firm and several American firms. The terms of the agreement are unique in the Middle East in that, while investment in exploration is shared by Egypt through equity participation, the Egyptian

The Economist Intelligence Unit, Ltd., Three-Monthly Economic Review, Iran, No. 10, July 1958. The cash payment is deductible over ten years from future profits. Minimum investment by the company is fixed at \$8.5 million during each of the first four years and \$6 million in each of the following eight years.

World Petroleum Report, 1958. It is not clear whether the 56 per cent in income and supplementary taxes includes or excludes royalties. Royalties are fixed at 20 per cent of the value of crude oil and other products, paid in kind or at posted prices, with a minimum of \$2.5 million. The agreement also provides for refining at least 30 per cent of output when production reaches 75,000 barrels a day or more.

United States Department of Commerce, Foreign Commerce Weekly, 2 June 1958. Kuwait will also receive a bonus of \$5 million when production reaches 50,000 barrels per day.

The Economist Intelligence Unit, Ltd., Three-Monthly Economic Review, Iraq and the Arabian Peninsula, January 1959. Other releases included the ending of the Khanaqin Oil Company concession in November 1958. The company had a single small oil field with an annual output of 180,000 tons (Petroleum Press Service, December 1958).

Government receives 75 per cent of the profits from the new concession, as well as its share of the profits from participation in the capital through the General Petroleum Company. 17/

Transportation

The expected rise in demand for Middle East oil in the future has stimulated greater investments, both by the oil companies and by the Governments in facilities for transporting the oil from the production fields to the shipping terminal or market. Several pipelines and terminal facilities were constructed or started in the period 1957-1958 and steps were taken by several Governments to expand internal oil distribution facilities and to enter the field of tanker transport.

Developments in internal distribution of oil and oil products included the completion by the National Iranian Oil Company of a ten-inch pipeline between Ahwaz, near the Abadan Refinery, and Tehran, a distance of 825 kilometres. The pipeline was put into use in October 1958 to carry refined products at an annual rate of 1.1 million tons, and work on linking to it a 330-kilometre pipeline, six to eight inches in diameter, between Tehran and Resht on the Caspian Sea was started in September 1958 and is expected to be completed in 1960 at a cost of \$8.6 million.

In Israel, the six-inch Haifa-Tel Aviv pipeline, with a capacity of 570,000 tons a year, was completed late in 1958 and carries refined products from the Haifa Refinery. Credit of \$25 million was reported available early in 1959 from French financial sources for the completion of a pipeline with a sixteen-inch diameter and a capacity of 4.5 million tons to extent to Eilat Port on the Red Sea from the Haifa Refinery. 18/ Israel also ordered three tankers, of which two of 47,000 tons are to be built in Japan. A shipping company founded in December 1958 for the purpose was financed in equal shares by the Government and a private Israeli firm on the one hand, and by a Swiss investment firm on the other. 19/

The three countries which expect a large rise in output of oil in the immediate future - Iran, Iraq and Kuwait - are implementing large programmes for expanding export facilities. In Iran the development of an oil terminal at Kharg Island was started in January 1959 by the consortium. The project involves the construction of a 26-28-30-inch pipeline, eighty miles long, which joins the oil fields with a jetty that will be capable of handling 100,000-ton tankers. The National Iranian Oil Company, on the other hand, formed the National Iranian Tanker Company which, late in 1957, ordered two 33,000-ton tankers, one of which was handed over to Iran in December 1958. It is also reported to have ordered two more tankers, one of 47,000 tons and the other of 73,000 tons. 20/ An agreement

The Economist Intelligence Unit, Ltd., Three-Monthly Economic Review, Egypt, Sudan, Libya, January 1959; Financial Times (London), 31 December 1958.

^{18/} Israel Economist (Jerusalem), January 1959; Petroleum Times, 13 February 1959.

^{19/} Petroleum Press Service, December 1958; Petroleum Times, 30 January 1959.

^{20/} Iran Press, 23 December 1957; The Economist Intelligence Unit, Ltd., Three-Monthly Economic Review, Iran, January 1959.

was signed with Turkey in October 1958 covering the construction by Iran of pipelines from the National Iranian Oil Company's northern oil fields to the Mediterranean coast. 21/

In Iraq, a £25 million project for the construction of a deep-water terminal twenty-four miles offshore in the Persian Gulf was started early in 1959 and was scheduled for completion early in 1961. The project involves laying two thirtytwo-inch submarine pipelines to a loading platform that will be capable of berthing two 65,000-ton tankers simultaneously, as compared with the current facilities for 26,000-ton tankers at Fao Port. This is expected to raise loading capacity from 12 million to 22 million long tons a year. The expansion of the throughput capacity of pipelines from the oil fields of northern Iraq to the Mediterranean coast was already well under way in 1958 with the construction, in Syria, of a series of pipeline loops totalling 125 miles in length from August 1957 through 1958. Work is also under way to increase pumping capacity, and the effect of both these projects was expected to raise the annual flow of oil from 25 million to 28 million tons in early 1959. 22/ As a result of increasing the pipeline flow and expanding the loading facilities in the Gulf, the Iraq Petroleum Company estimated that its production in Iraq will rise from 35 million tons in 1958 to 57 million tons in 1961. 23/

In Kuwait, a second loading pier, capable of berthing simultaneously two 50,000-ton and two 100,000-ton tankers, was completed in 1958 and a connecting eighty-mile, thirty-inch pipeline from the newly developed northern oil fields was started. The work is expected to be completed during 1959. 24/

The agreement, valid for eighty years, allocates to Iran 77 per cent of revenue from transportation through the pipeline for the first five years, and 50 per cent a year thereafter. A project for a pipeline about 1,000 miles long and with an annual throughput of 30 million tons was mentioned, but no plans for financing the project, which it is estimated will cost \$500 million and take two years to complete, are set out. According to the head of the National Iranian Oil Company, the project can be implemented economically only if a minimum of 10 million tons of oil a year are exported. The potential of the northern oil fields is not yet firmly proved (The Economist Intelligence Unit, Ltd., Three-Monthly Economic Review, Iran, November 1958, January 1959).

^{22/} Oil Man (Fort Worth, Texas), December 1958; Petroleum Press Service, March 1959.

^{25/} Commerce du Levant, 14 February 1959.

^{24/} Petroleum Press Service, February 1959.

Chapter 4

FOREIGN TRADE AND PAYMENTS

Imports, exports and balance of trade

Middle East imports rose in value by 7 per cent, from \$3.5 billion in 1956 to \$3.7 billion in 1957, and 12 per cent, to \$2 billion in the first half of 1958. Exports, on the other hand, rose in value at the higher rates of 7.5 per cent in 1957 and 21 per cent during the first half of 1958, when they reached about \$2.5 billion. If oil is excluded, however, the value of Middle East exports shows a rise of 7.5 per cent in 1957, but no change in the first half of 1958 as compared with the corresponding period of the previous year.

The balance of trade can be seen from table 5 to have been in favour of the Middle East to the extent of \$700 million in 1957 and \$460 million in the first half of 1958. Excluding exports of petroleum, however, the balance shows a deficit of \$2,150 million and \$1,170 million for the same periods, respectively. The trade deficit for the area as a whole was thus about twice the revenue of the area from oil. Taken separately, however, Kuwait and, to a much lesser extent, Iran, among the major oil producing countries, increased their foreign exchange and gold assets in 1957/58, while, among other countries, Jordan, Israel and Turkey continued to draw heavily on foreign aid and credit, Egypt, Syria and the Sudan reduced their holdings of gold and foreign exchange and Lebanon continued to benefit from the export of services and inflow of private capital, thus increasing its gold and foreign exchange holdings.

As indicated in table 6, excluding oil exports, all countries of the Middle East showed a trade deficit in 1957 and 1958 and, in most, the gap widened in both years. In 1957, Egypt, Syria and Turkey reduced the trade gap substantially as a result of both a rise in exports and a reduction of imports. In 1958, Lebanon was the only country which reduced its trade deficit significantly as a result of lower imports, and Turkey maintained its deficit at the same level despite a large drop in exports.

The rise in oil revenue, particularly in 1958, enabled the major oil-producing countries to raise their imports substantially. The exception was Iraq, where imports rose in 1957, despite a 30 per cent fall in revenue, but were reduced in 1958 as the result of import restrictions.

Volume, prices and composition of trade

The rise in the value of exports in the Middle East by 7.5 per cent in 1957 was due mainly to the rise of about 5 to 6 per cent in the average unit value of petroleum, and only to a small degree to the rise in the volume of petroleum exports. The other major exports of the area - namely, cotton, cereals, citrus fruits, dried fruits and nuts and tobacco - contributed substantially to the over-all rise, and while they fluctuated both in volume and price, they moved generally upwards in volume though not always in unit value. The net result is that exports, other than petroleum, rose in value at exactly the same rate as petroleum exports. No comprehensive quantum and unit price indices are available for the area, 1/ but

^{1/} For available country indices, see appendix table XV.

Table 5. Value of Trade of the Middle East 4/
(Millions of dollars; imports c.i.f., exports f.o.b.)

Item	1954	1955	1956	1957	1957 (first	
Total imports	. 2,940	3,420	3,490	3,720	1,780	2,000
Total exports	3,390	3,900	4,110	4,420	2,030	2,460
Petroleum exports <u>b</u> /	2,030	2,480	2 , 650	2 , 850	1,200	1,630
Exports other than petroleum	. 1,360	1,420	1,460	1,570	830	830
Imports as percentage of total world imports c/	• 3•7	3 . 9	3 . 6	3 . 5	3 . 3	4.0
Petroleum exports as percentage of total world exports c/	. 2.6	3.0	2.9	2 . 9	2.5	3 . 5
Other exports as percentage of total world exports c/	. 1.8	1.7	1.6	1.6	1.7	1.8

Source: Statistical Office of the United Nations.

a/ Trade of the following countries is included: Aden, Bahrain, Cyprus, Egypt (UAR), Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Neutral Zone, Qatar, Saudi Arabia, Sudan, Syria (UAR) and Turkey.

b/ Including ships' stores and bunkers.

c/ World figures do not include imports and exports of eastern Europe and China (mainland).

Table 6. Imports, Exports, Excluding Petroleum, and Balance of Trade, by Country (Millions of dollars)

Country and item	1954	1955	1956	1957	1958
Aden Exports	125	176	181	183	178
	187	210	199	201	201
	-62	- 34	-18	-18	-23
Cyprus Exports	48	52	63	53	49
	66	85	109	126	102
	- 18	- 33	-46	-73	-53
Egypt (UAR) Exports	413	419	409	493	342 <u>b/</u>
	472	538	535	524	517 <u>b</u> /
	-59	- 119	- 126	-31	-175
Exports	84 213 - 129	61 278 - 217	59 278 - 219	63 314 251	407 <u>b</u> /
<pre>Iraq Exports</pre>	53	48	39	56	48
	204	272	321	343	307
	-151	- 224	- 282	-307	-259
Israel Exportsd/ Imports Balance	88	90	107	140	146
	287	325	367	436 <u>e</u> /	432
	199	- 235	-260	-296	- 286
Jordan Exports	8	8	14	13	9
	56	76	78	85	95
	- 48	-68	-64	-72	-86
Lebanon f/ Exports	55	37	45	48	35
	221	241	256	286	236
	-188	- 204	-211	-238	~201

Table 6 (continued)

Country and item	1954	1955	1956	1957	1958
Sudan Exports	116	145	192	148 <u>e</u> /	134
	139	140	130	194 <u>e</u> /	181
	-23	5	62	-46	-47
Syria (UAR) ^f / Exports	130	132	145	153	121
	186	196	205	172	207
	- 56	-64	- 60	-19	-86
Turkey Exports	335	313	305	345	264
	478	498	407	397	315
	- 143	- 185	102	- 52	-51

Source: Statistical Office of the United Nations; International Monetary Fund, International Financial Statistics, May 1959; Commerce du Levant, 4 March 1959, for trade of Lebanon in 1958; Bureau des documentations syriennes et arabes, Etude mensuelle sur l'économie et le marché syriens, 25 March 1959, for trade of Syria in 1958.

- a/ Including ships' stores and bunkers.
- b/ First nine months only.
- c/ Including exchange certificates at declared value, year beginning 20-21 March.
- d/ National exports, excluding nationalized re-exports.
- e/ Revised figures.
- f/ Including gold.

an indication of the main determinants of changes in export prices can be seen in table 7, which gives the total volume and average prices of the major export commodities of the main exporting countries.

Apart frcm petroleum, the rise in exports in 1957 is largely attributable to the rise in the volume of cotton exports in all countries except the Sudan. The effect was partly offset in the case of exporters of medium staple cotton - Syria, Turkey and probably Iran - by a fall in prices of this type of cotton, while the improvement in the prices of long staple cotton benefited Egypt and the Sudan. The good harvests of 1957 also resulted in record exports of several other agricultural products, such as wheat and barley frcm Syria, rice from Egypt, citrus fruits from Israel and tobacco and dried fruits and nuts frcm Turkey. In the case of Syria, a substantial fall in export prices partly offset the record volume of major exports in that year, while the improvement in the prices of citrus fruits, dried fruits and nuts and tobacco added to the benefit accruing frcm the increased volume of exports in Israel and Turkey. The low volume of exports of barley and dates frcm Iraq was partly offset by improved prices of dates. 2/

In 1958, in contrast to the preceding year, the main determinant of the rise in exports of the area was the growth, by 20.7 per cent, in the volume of petroleum exports. Posted prices of Middle East oil also rose by 2 to 3 per cent, with the net result that the value of oil exports for the whole of 1958 may be about 24 per cent above 1957.

Total exports of commodities other than oil showed no change in value in the first half of 1958, as compared with the corresponding period of 1957. However, for the year as a whole there has been an adverse movement, due in part to the large drop - except in Syria - in cotton export prices, which was not offset by the greater volume of exports. Exports of cereals by Syria and tobacco by Turkey dropped considerably in volume due to the poor harvests, with little compensation in terms of price rises; however, exports of rice by Egypt rose by over 30 per cent in volume above the record of the previous year. A rise in the price of Israeli citrus exports was more than offset by lower volume, and Iraqi dates, in the first nine months of 1958, fetched prices which were 25 per cent below those of the previous year.

Little information is available on the changes in the prices of goods imported by the Middle East countries, particularly by the larger importers. Indices of unit values of imports for Cyprus, Israel and the Sudan in 1957 showed a 5 to 8 per cent rise over 1956, but those for Syria and Iran, a fall of about 8 per cent in the same year (see table XV). A better indicator of price changes of imports is represented by indices of export unit values of the major suppliers of Middle East countries - namely, the United Kingdom, continental western Europe and the United States. The index of unit value of exports of the United Kingdom showed a 5 per cent rise in 1957 and a 1 per cent drop in 1958, that of continental western Europe a 3 per cent rise in 1957 and a 1 per cent drop in the first nine months of 1958, and that of the United States a 3 per cent rise in 1957 and a 1 per cent drop in 1958. For the world as a whole, the unit value index of

^{2/} For changes in volume and value of other products in Iraq and other countries of the area in 1957 and the first half of 1958, see table XIII.

Table 7. Indices of Volume and Unit Prices of Major Exports, Selected Countries (1953 a 100)

Item	195 ^l 4	1955	1956	1957	1958
Petroleum (crude)				W 100	dent. a stretumen, discountification also
Middle East: Volume b/	1114	134	1 ¹ 4 ¹ 4	146	177
Iran: Price c/	100	100	100	104	107
Iraq: Price d/	105	105	103	107	110
Kuwait: Trice e/	105	105	105	110	113
Saudi Arabia: Price f/		107	107	113	115
Petroleum (bunker)					
Middle East: Volume b/	102	121	129	135	165
Aden: Price g/	98	102	102	113	1.08
Cotton Egypt (UAR):					
Volume Price h/	85	80 115	68 125	76 1 ¹ 40	81 118
Iran: Volume	126	98	107	6 6 9	4 4 0
Price	125	97	89	***	***
Volume	67	105 108	127 123	63 126	88 97
Syria (UAR): Volume	78	165	104	151	168
Price Turkey:	111	98	93	81.	88 <u>1</u> /
Volume	60	115 25	34 97	60 88	30 82
Wheat					
Syria (UAR): Volume	129	17 104	90 104	176 87	109 <u>1</u> / 103 <u>1</u> /
Price			29		
Volume	159 54	27 60	77	<u>-</u>	***
Barley Traq:		*			
Volume	100	65 110	59 99	40 87	68 <u>1</u> , 86 <u>1</u> ,
Syria (UAR): Volume	281	19	196	216	60 ந 88 ந
Price	83	122	104	82	88 <u>b</u> ,
Rice Egypt (UAR):		07	100	134	176 ክ
Volume j/ · · · · Price j/ · · · ·	21	83 100	100	99	176 <u>b</u> 96 <u>b</u>
Citrus (oranges) Israel:					
Volume k/ · · ·	104	84	100 100	10¼ 10¼	93 109
Dates					
Iraq: Volume	88	99 68	106	91 90	52 <u>1</u> 68 <u>1</u>
Price	95	58	55	3∨	
Tobacco Turkey:	89	83	83	123	91
Volume	113	126	132	134	130

(Source and footnotes on following page)

(Source and Footnotes to Table 7)

United Nations Bureau of Economic Affairs; United Nations,
Monthly Bulletin of Statistics, April 1959, and Yearbook of International
Trade Statistics, 1955 and 1957 (sales numbers: 1956.XVII.4 and
58.XVII.2, vols. I and II); International Monetary Fund, International
Financial Statistics, April 1959; Food and Agriculture Organization of
the United Nations, Monthly Bulletin of Agricultural Economics and
Statistics, February and March 1959; Statistical Abstract of Israel,
1957/58; Statistical Bulletin of Israel (Jerusalem), January 1959;
Petroleum Press Service, various issues.

- a/ Based on average export prices, except as indicated.
- b/ Estimated.
- c/ 1954 = 100; f.o.b. Bandar Mashur; Iranian Light 34-34.9° API gravity; posted price.
- d/ F.o.b. Fao; 36-36.9° converted 35-35.9° API gravity; posted price.
- e/ F.o.b. Mena Al Ahmadi; 31-31.9° API gravity; posted price.
- f/ F.o.b. Ras Tanura; 34-34.90 API gravity; posted price.
- g/ Spot prices at Aden of marine diesel fuel, ex wharf and excluding taxes.
- h/ Weighted index of the export prices of different varieties.
- i/ Annual rate based on exports of the first nine months.
- j/ 1956 = 100.
- k/ 1956 = 100; Shamouti oranges only, which represented over two-thirds of total exports both in volume and value in 1957.
- 1/ 1956 = 100; auction price in London of Shamouti oranges.

exported manufactured goods, which embraces the largest group of commodities imported into the Middle East, showed a rise of 4 per cent in 1957 and remained constant in 1958. 3/

If these indices are taken as a measure of the changes in the prices of goods imported by the Middle East, then the terms of trade would seem to have moved slightly in favour of the Middle East in 1957, but against it in 1958 as a result of the drop in prices of agricultural exports. If oil is included, however, the terms of trade could be said to have moved slightly in its favour in 1958 as well.

The composition of imports, shown in some detail in table XIV, indicates a check to the previous trend of rising imports of foodstuffs, and particularly of cereals, by some countries of the area in 1957 and 1958. This was due to the generally good harvests in 1957 and to the record output of wheat in Turkey in 1958. The notable exception was Egypt, which continued to import increasing amounts of wheat and flour in both years. Similarly, the previous trend of a rising proportion of imports of machinery and construction materials was also reversed during the period in most countries of the area, notably in Egypt, Iraq and Turkey, as a result of a smaller rate of investment. 4/ By contrast, the share of raw materials in total imports rose noticeably in several countries, particularly in Turkey, and that of fuel also rose substantially in the countries of the area that do not produce oil.

Direction of trade

For the Middle East as a whole little change occurred in the geographical pattern of trade, whether on the export or the import side (see table XII). 5/ Continental western Europe and the United Kingdom supplied 43 to 44 per cent of the area's imports in value and bought 41 to 44 per cent of its exports in 1956, 1957 and the first half of 1958; the United States supplied about 16 per cent of the area's imports and purchased 11 to 12 per cent of its exports in the same periods. There was, however, a fall in trade among the countries of the Middle East themselves as a proportion of total trade; thus, inter-country trade, as a proportion of total imports of the area fell from 16.7 per cent in 1956 to 14.9 per cent in 1957 and to 13.6 per cent in the first half of 1958. This fall was offset by the rise in the share of trade with the Soviet Union and eastern Europe, to which a large proportion of total cotton exports was directed, as well as by the rise in trade with Asia and the Far East, which bought larger amounts of crude petroleum, as well as of cotton.

^{3/} United Nations, Monthly Bulletin of Statistics, February and March 1959.

A noticeable drop occurred in building construction in Egypt during the period; in Iraq, reduced imports of machinery may be due to the smaller imports by contractors of heavy equipment for development projects; in Turkey the large drop was associated with a shortage of foreign exchange.

^{5/} See also International Monetary Fund, International Financial Statistics, May 1959, for the pattern of trade in 1958.

If each country of the Middle East is taken separately, large shifts in the geographical pattern of trade become apparent in the case of several of them. In 1957 and 1958, Egyptian trade with continental western Europe fell considerably, and that with the United Kingdom was reduced to very small or negligible proportions although it was resumed in the last quarter of 1958. Trade was redirected in this period mainly towards the Soviet Union, which bought 18.2 per cent of Egypt's exports in 1957 and 14.7 per cent in the first half of 1958. Cotton exports to eastern Europe and the Far East accounted for the bulk of the remaining exports, thus raising the share of eastern Europe and "other countries" to 53 per cent in the first half of 1958.

A larger percentage of Iraqi exports - of which 88 per cent in 1957 and 92 per cent in 1958 represented crude oil - was directed away from the United Kingdom and continental western Europe in 1957, as a result of the Suez crisis, and towards the Middle East and the Far East, but the pre-Suez pattern of trade re-emerged in 1958. Israel's exports, in the period under review, shifted noticeably away from the United States and towards continental western Europe, mainly the Federal Republic of Germany, and eastern European countries, mainly Yugoslavia and Romania. Imports also showed a drop in the share of the United States, particularly in 1957. 6/

Exports of the Sudan to the United Kingdom fell, both in absolute terms and as a share of the total, as a result of lower imports of cotton by the latter in 1957; conversely, the share of the Middle East in Sudan's exports rose considerably as a proportion of the total. In Syria, a small drop in the share of exports to continental western Europe and the Middle East occurred in 1957, with a compensating rise in the share of eastern Europe and, to a lesser extent, that of the Soviet Union, mainly as a result of a shift in the destination of cotton exports. In 1958 there was a much larger drop of exports to continental western Europe - from 36 per cent in 1957 to about 24 per cent of total exports in 1958 - with a corresponding rise of exports to eastern Europe and the Soviet Union. 7/

In the case of Turkey, the principal change was a considerable drop in the share of continental western Europe in the country's imports in 1957, due to payments difficulty, particularly in the case of imports from the Federal Republic of Germany. The share of the latter fell from 24 per cent of total imports in 1956 to 14 per cent in 1957. This was compensated by a rise in imports from the United States, from 21 per cent to 31 per cent of the total. In 1958, this movement was reversed, although not fully, in the case of imports from both the Federal Republic of Germany and the United States. Turkey's exports indicated a similar shift of pattern in both 1957 and 1958, but on a smaller scale.

^{6/} Exports in 1958 to continental western Europe reached 40 per cent of total exports, and those to eastern Europe about 8 per cent (Statistical Bulletin of Israel, January 1959).

^{7/} International Monetary Fund, <u>International Financial Statistics</u>, May 1959;
Bureau des documentations syriennes et arabes, <u>L'éconcmie et le marché syriens</u>,
25 March 1959.

Trade policy and balance of payments

There were some changes in the trade policies of certain countries of the area in 1957 and 1958 as a reaction to changes in their trade and payments position. Although little change occurred in the liberal trade policies of Iran, Kuwait and Lebanon, and existing restrictions were continued in Israel, Jordan and Syria, new trade and payments restrictions were adopted in most of the other countries of the area, notably Egypt, Iraq, Saudi Arabia and Turkey. In the case of the first group of countries, the official gold and exchange reserves increased; in the case of the second group, there was little change in gold and exchange reserves; in the case of the last group, a large fall occurred. The foreign indebtedness of Iran, Israel and Turkey continued to rise during the period. Egypt and Syria, previously free of large foreign debts, contracted sizable long-term credits with the Soviet Union and other countries in 1957 and 1958, and Iraq entered into a similar agreement early in 1959. Turkey embarked on a comprehensive programme of exchange and price stabilization and debt consolidation in 1958.

In Egypt, the fall in exchange receipts from the Suez Canal late in 1956 and the blocking, in the summer of that year, of sterling assets which, since the war, had been the main source of financing the country's trade deficits, resulted in a restriction on imports, particularly on those from the United Kingdom and France, during 1957 and most of 1958. The temporary blocking of Egypt's assets in the United States and the drop in imports of cotton by continental western Europe in 1957 led Egypt to institute various measures which aimed essentially at encouraging sales of cotton and rice against the needed currencies of these areas, and at obtaining essential imports from other countries with which Egypt has a trade surplus or credit facilities.

To restrict imports, global and group quotas were fixed in January 1957, and the existing 7 per cent surcharge on licensed imports was extended to all non-essential goods. 8/ In July of the same year, in addition, imports involving payment in specific currencies were subjected to a 10 per cent ad valorem fee. 9/ The quota restriction continued in 1958 and the surcharge was raised in February 1958 to 9 per cent and was maintained on all non-essential imports until October, when a large number of imports were exempted. 10/

To stimulate exports, on the other hand, Egypt expanded the list of countries with which it has trade and payments agreements, and, as a consequence, exports to such countries rose from 87 per cent of total exports in 1956 to 96 per cent in the first four months of 1958. 11/ Egypt also introduced in April 1957 a system

^{8/} Budget Speech, 1958/59 (in Arabic).

^{2/} The fee was 20 per cent in the case of imports for the Government. The currencies involved were United States and Canadian dollars, Indian rupees, Italian lire and Swedish, Norwegian and Danish kroner (International Monetary Fund, Ninth Annual Report, Exchange Restrictions, Washington, D.C., 1958).

^{10/} United States Department of Commerce, Foreign Commerce Weekly, 15 December 1958.

^{11/} Budget Speech, 1958/59 (in Arabic).

of subsidies in the form of premiums on the repatriated proceeds of cotton exports. The premiums ranged from 10 to 20 per cent, depending on the currency involved, the higher rates applying to some western European countries and to the United States. They were raised in May to 15 to 25 per cent and were gradually removed in the second half of the year. 12/ This system of variable exchange rates for exports led to the sale of cotton at various prices in different countries and was abolished in February 1958. It was replaced by a free exchange rate at 73 per cent of the official rate, put into effect by the National Bank of Egypt on 10 March 1958. 15/ This new rate applied to most exports, licensed imports and tourism, in currencies of countries with which Egypt has no payments agreements providing for settlement in Egyptian pounds, or about one-half of all transactions. 14/ As the balance of payments position improved, the effective rate was raised to 75 per cent in June 1958 and to 82.4 per cent in September, 15/ when the export tax on long staple cotton was simultaneously reduced by about 36 per cent.

These measures enabled Egypt, in the last quarter of 1957, to relax restrictions in part and to reduce the trade deficit substantially. 16/ Payments of dividends abroad dropped sharply from 17.1 in 1955 to 2.9 in 1957 owing to the nationalization of foreign firms, but Suez Canal dues also fell from 29.3 in 1956 to 24.3 in 1957 as a result of the interruption of traffic. The total deficit of £E 30 million on current account was met, in part, by a reduction in non-sterling assets and to about an equal extent by borrowing from the International Monetary Fund and by a rise in short-term credits. The monetary settlement with the Sudan, whose currency was backed by Egyptian pounds, involved the payment of £E 19.5 million, which was met largely through a special release of £E 17.3 million from Egypt's sterling assets.

National Bank of Egypt, Economic Bulletin, vol. XI, No. 1, 1958; International Monetary Fund, Ninth Annual Report, op. cit.

^{15/} Ibid. An interim measure was the establishment of the so-called "export accounts" system, by which the value of exports of goods and services to Egypt is credited to an export account (in terms of export pounds), which is transferable and can be used by non-residents to finance imports to Egypt. A few items, such as rice and Suez Canal tolls, are excluded. The export accounts have not, however, been used to any significant extent.

^{14/} Tbid.; International Monetary Fund, International Financial Statistics, May 1957. Countries with which Egypt has such agreements include those of eastern Europe, China (mainland), France, Greece, Spain and six neighbouring Arab countries.

^{15/} International Monetary Fund, International Financial Statistics, May 1957.

^{16/} The deficit, according to custums figures, stood at £E ll million, or the lowest level in sixteen years, but in the balance of payments estimates it is given at £E 51.5 million, partly because of the extension of export credits and the exclusion of some imports from customs (National Bank of Egypt, Economic Bulletin, vol. XI, No. 2, 1958).

In 1958, much higher imports and a slight drop in exports caused a rise in the trade deficit, which is estimated to have been of the order of £E 50 to 60 million. 17/ The sharp rise in Suez Canal dues, which reached £E 42.1 million in 1958, helped to meet this deficit, and, as a result, little change developed in the country's holdings of gold and foreign exchange by the end of the year. 18/

In Iran, restrictions on imports were eased in April 1957 by removing specific quota limits on non-essential imports, in an effort to stabilize internal prices, and most of the imports which had been prohibited were allowed freely on payment of a special charge; 19/ only a global quota on imports was maintained. Imports rose in value by about 20 per cent in 1957, but the unified exchange rate of the rial, established in March 1956, was maintained without difficulty due mainly to the rise in oil revenue and to various loans. In 1957/58 - beginning 21 March - a trade deficit of \$278 million outside the oil sector was more than balanced by the receipt of \$208 million in oil revenue, \$22.1 million in aid from the United States and by loans from the International Bank for Reconstruction and Development(\$65 million), the United Kingdom (\$10.4 million) and the United States (\$19 million). Receipts of foreign exchange from the oil consortium reached \$48.2 million. As a result, official and bank holdings of gold and foreign exchange increased by \$60 million by the end of the year. 20/

In Iraq, a sharp drop in exports other than oil, in 1957, and rising expenditure on development in excess of receipts from the share of oil revenue, which dropped by 29 per cent in 1957, raised the trade deficit substantially. Restrictive licensing was consequently imposed in August on imports from sterling and soft currency areas. A wide range of non-essential commodities, such as home appliances, beauty preparations, canned foods, some silk products and dried fruits and nuts, were affected. 21/ The global and group quotas on imports from the hard currency area were reduced slightly early in 1958, mainly on automobiles and parts. In October 1958 the tariff law was amended, the most important changes being a reduction of duty on popular consumption goods, such as tea and sugar, and a rise in duty on non-essential products, such as home appliances, alcoholic beverages, some types of automobiles, and on goods competing with local industry. 22/

Based on import figures for the first ten months and export figures for cotton and rice for the whole year.

International Monetary Fund, International Financial Statistics, May 1959.

A drop of \$36 million in official holdings was largely balanced by an increase of \$28 million in holdings of commercial banks.

^{19/} Bank Melli Iran, Balance Sheet, 20 March 1957 and 20 March 1958.

^{20/} Ibid.; International Monetary Fund, International Financial Statistics, May 1959.

^{21/} Iraq Times (Baghdad), 30 August 1957; International Monetary Fund, Ninth Annual Report, op. cit.

^{22/} United States Department of Commerce, Foreign Commerce Weekly, 20 October 1958.

To encourage exports and diversify its trade markets, Iraq negotiated and signed late in 1958 trade agreements with the United Arab Republic, the Soviet Union, mainland China and all eastern European countries, except Bulgaria and Albania. It also started negotiations with the Sudan, Italy, the Federal Republic of Germany, Japan and Ceylon. 23/

Iraq's balance of payments reflected the growing deficit on current account, which rose, outside the oil sector, from ID 90 million in 1956 to ID 101 million in 1957. As a result of the drop in oil revenue in that year to ID 49 million, the deficit was met partly by drawing on foreign assets to the extent of ID 24 million and partly by borrowing ID 9 million from the oil companies. In 1958, the trade deficit was reduced to about ID 90 million, partly as a result of the restrictions on imports during the year. The high receipts from oil revenue - ID 80 million plus ID 4.5 million in back payments in 1958 - enabled Iraq to rebuild its assets of gold and foreign exchange to the extent of ID 14 million. 24/

Israel continued its efforts to bridge part of its large trade gap by restricting imports and encouraging exports in 1957 and 1958. To restrict imports, existing subsidies on imports of such specified goods as frozen meat, chemical fertilizers and medicines were almost completely abolished during 1957 and in January 1958. 25/ Tariffs were raised, both in 1957 and in 1958, on a wide range of semi-finished and finished commodities, including refined oil products, tobacco, rubber materials, alcoholic beverages and electrical appliances. Raw materials for industry were, however, generally favoured with tariff reductions in 1957 and with a more liberal licensing system in August 1958. 26/

To expand its exports of industrial goods, particularly to Europe and the United States, Israel extended and raised the premiums paid on exports to certain countries or on exports of specified commodities early in 1957, and later in November 1957 and January 1958. Premiums ranged from £I 0.6 to £I 1.2 per dollar of added value of the specified exports. Israel also allowed exporters of citrus fruits and rubber tires to retain 50 to 70 per cent of the proceeds in a special account, the use of which is less restricted than that of other foreign exchange accounts. 27/

The balance of payments estimates of Israel showed a slight fall in 1957 in the deficit on current account, which, at \$337 million, was \$19 million below the 1956 high level. The deficit was met in part by receipts from private donations

^{23/} The Economist Intelligence Unit, Ltd., Three-Monthly Economic Review, Iraq and the Arabian Peninsula, January 1959.

International Monetary Fund, <u>International Financial Statistics</u>, May 1959; Reply of the Government of Iraq to the United Nations questionnaire on economic trends, problems and policies, 1958-1959.

^{25/} International Monetary Fund, Ninth Annual Report, op. cit.

^{26/} International Monetary Fund, International Financial News Survey, 29 August 1958, quoting Jerusalem Post (Jerusalem), 8 August 1958.

^{27/} International Monetary Fund, Ninth Annual Report, op. cit. In addition, in March 1957, a premium of £I 0.35 per dollar was granted on exports of industrial goods, with the exception of cement to West Africa.

(\$97 million) and sale of Israel bonds (\$45 million), both of which were below the level of the previous year, but mainly by receipts of official donations, that is, reparations and restitutions from the Federal Republic of Germany (\$121 million) and United States grants-in-aid and technical assistance (\$24 million). Loans for the purchase of United States agricultural surpluses totalled \$20.4 million. Repayments to the Export-Import Bank totalled \$11.4 million. 28/

In 1958, the provisional estimate of the balance of payments showed a small rise in the deficit on current account to \$341 million, which was again financed in part by private donations (\$97 million) and Israel bonds (\$43 million), but mainly by receipts of official donations - reparations and restitutions from the Federal Republic of Germany (which rose to \$126 million) and United States grants-in-aid and technical assistance (\$24 million). Loans from the United States totalled \$45 million in that year. 29/

In recent years the official debt of Israel in foreign exchange - that is, public debts or debts guaranteed by the Government - rose from \$450 million at the end of 1955 to \$501 million at the end of 1956, mainly as a result of the sale of Israel bonds (industrial loan and development loan) and borrowing from the United States. 30/ If the net rise in indebtedness during 1957 and 1958 is added, the debt would have reached \$567 million at the end of 1957 and, provisionally, \$651 million at the end of 1958.

In Syria, no significant changes in trade policy occurred in 1957, but the existing high protective tariff system and the import prohibition on certain goods were maintained. In June 1958, customs duty on a wide range of consumption goods was raised and a further upward revision took place in January 1959. 31/

The excellent harvests of 1957 and the consequently high exports, together with the stricter licensing of imports, enabled the country to reduce its trade deficit to \$22 million and, in fact, to show a small surplus (\$3 million) on current account for the first time in recent years. However, other disbursements resulted in a reduction by \$8 million in the official holdings of gold and foreign exchange by the end of the year. 32/ The poor harvests and low exports of 1958, together with the sharp rise in imports which took place in that year, resulted in a trade deficit of \$75 million. 33/ The official holdings of gold and foreign exchange were consequently reduced by \$17 million between the end of 1957 and the

^{28/} Israel, Central Bureau of Statistics, Balance of Payments of Israel, 1956-1957 (Jerusalem, 1958).

^{29/} Reply of the Government of Israel to the United Nations questionnaire on economic trends, problems and policies, 1958-1959.

^{30/} Bank of Israel, Annual Report, 1956 (Jerusalem, 1957).

J1/ United States Department of Commerce, Foreign Commerce Weekly, 2 June 1958;
Bureau des documentations syriennes et arabes, L'économie et le marché
syriens, 25 February 1959.

^{32/} International Monetary Fund, International Financial Statistics, May 1959.

^{33/} Ibid. Excluding imports of about \$14 million in gold.

end of November 1958, and short-term indebtedness increased considerably. $\frac{54}{}$ The resumption of oil flow through the pipelines raised revenue from \$9 million in 1957 to an estimated \$16 million in 1958. It is not known whether any credits were utilized in 1958 under the agreement signed on 28 October 1957 with the Soviet Union providing for twelve-year credits at 2.5 per cent interest to finance development projects. The total credits under this agreement, which are to be utilized to finance the requirements of a ten-year development plan, were fixed at IS 535.5 million. 35/

Turkey's large trade deficit and the increasing disparity between domestic and foreign prices in 1956 led the Government to intensify restrictions on imports and to stimulate exports through modifications of the existing multiple exchange rate system, premiums and surcharges, and through stricter control on prices of imported goods. In March 1957, a 40 per cent tax was applied to about 80 per cent of imports, including capital goods, raw materials and consumer goods. 36/ The high level of exports of agricultural products in 1957 made it possible in July to delete a large number of items from the existing list of commodities entitled to an export premium, and to reduce the premium rates on dollar exports to the level of those applying to sterling and European Payments Union exports. 37/ An Office for Control of Import Prices, established in October 1956, denied import licences for goods that were high in price.

As part of a comprehensive programme aimed at stabilizing currency and prices through the utilization of a realistic rate of exchange, strict control of domestic credit and prices, a balanced budget and consolidation of foreign debts, the Government, early in August 1958, replaced the variety of surcharges and taxes on imports by a flat surcharge of LT 6.20 per dollar to be added to the official rate of LT 2.80 per dollar on all imports of goods, services and capital. The various premiums on exports, on the other hand, were also replaced by a premium of LT 6.20 per dollar in the case of over 80 per cent of exports. Two other lower rates were applied to some important exports - LT 2.80 on exports of fruits and nuts and LT 2.10 on tobacco, chromium and copper. 38/ Later in August and effective in September 1958, further measures restricting imports were introduced. All imports

For example, purchase of machinery and equipment from Czechoslovakia for the Homs Refinery was made on credit.

^{35/} Budget Speech, 1957 and first half of 1958 (Damascus) (in Arabic).

International Monetary Fund, Ninth Annual Report, op. cit. Exceptions to the flat rate were a 20 per cent tax on imports of crude rubber and a specific tax of LT 50 to LT 150 per ton of fuel or mineral oils. This tax was in addition to the surcharge that ranged from 25 per cent to 75 per cent of the value of licensed imports of non-essentials, such as automobiles and home appliances.

Premiums on dollar exports ranged from 50 per cent to 85 per cent of the official rate in 1956, and sterling and European Payments Union exports received premiums of 40 per cent to 75 per cent, depending on the commodities involved. Cotton exports were entitled to a 35 per cent premium.

^{38/} International Monetary Fund, <u>International Financial News Survey</u>, 15 August 1958.

were licensed, barter transactions banned and quotas for the last three months of 1958 were set. These included large quotas for major industrial raw materials, fuels, pharmaceutical products, commercial vehicles, parts and tires, but small quotas for capital goods. In addition, payment of 20 per cent of the value of licensed imports was to be made to the Central Bank within one week of the issuance of the import licence. The 40 per cent tax, which was removed from a large number of items in September, was completely abolished later in the year, except on petroleum products. 39/

The trade deficit both in 1957 and 1958 was about \$50 million, or half that of the preceding year. In 1957, a United States grant-in-aid of \$69 million, and an increase in official and banking liabilities of \$99 million, balanced the trade deficit and settled in part large private commercial arrears, import credits and other unallocated debits. 40/ In the second half of 1958 a sharp drop in imports took place as a result of the restrictive measures, but the trade deficit remained constant because of an equal drop in exports.

Turkey's substantial foreign debts were increased in 1957 by about \$99 million. Simultaneously with the trade and exchange reorganization of August 1958, agreements to extend to Turkey credits and grants totalling \$359 million were announced. 41/ These credits were expected to maintain Turkey's capacity to import until the stabilization programme bore fruit. The United States extended to Turkey a grant-in-aid of LT 225 million (\$25 million) in 1958 and a further LT 810 (\$90 million) in military and economic aid for use in 1959. Negotiations with European Payments Union countries on the consolidation of debts resulted in an agreement in January 1959 to repay \$440 million of Turkey's transferred debts over a period of twelve years. 42/

^{39/} The Economist Intelligence Unit, Ltd., Three-Monthly Economic Review, Turkey, November 1958 and February 1959; United States Department of Commerce, Foreign Commerce Weekly, 27 October 1958.

^{40/} International Monetary Fund, Balance of Payments Yearbook, vol. X (Washington, P.C.).

Budget Speech, 20 February 1959. It was unofficially reported that the credit and grants included \$234 million from the United States and the Export-Import Bank, \$100 million from several European Payments Union countries and \$25 million from the International Monetary Fund.

^{42/} Ibid.; The Economist Intelligence Unit, Ltd., op. cit.

STATISTICAL APPENDIX

Table I. Indices of Agricultural Production (1948/49 - 1952/53 = 100)

Year	1	Near East <u>a</u> /	World
otal agricultural produc	tion:		
Pre-war		83	
1953/54		119	110
1954/55		119	111
1955/56		122	115
1956/57		127	120
1957/58		131	119
ood production:			
Pre-war		84	
1953/54		121	110
1954/55		119	111
1955/56		123	114
1956/57		128	119
1957/58		132	119

Food and Agriculture Organization of the United Nations, Monthly Bulletin of Agricultural Economics and Statistics, vol. VI, No. 9 and vol. VII, No. 7/8 (Rome).

a/ The term "Near East", as used here, covers Afghanistan, Eritrea, Ethiopia, Libya, Somalia and British and French Somaliland, as well as the Middle East.

Table II. Acreage of Principal Crops, by Country (Thousands of hectares)

Crop and country	Annual average 1948-1952	1954	1955	1956	1957	1958 <u>a</u> /
Wheat	9,780 75 605 2,080 b/ 936 34 b/ 182 70 13 994 4,770	12,819 74 754 2,300 1,390 31 273 70 13 1,347 6,541 26	13,527 81 640 2,300 1,425 47 270 70 12 1,463 7,186 33	14,451 79 660 2,900 1,314 57 325 70 12 1,531 7,458 45	13,890 79 636 2,500 c, 1,456 57 280 70 10 1,495 7,275 32	599 1,532 69 990 7,570
Barley	4,301 53 64 757 934 52 b/ 62 20 369 1,972 18	5,283 56 51 800 1,122 78 104 20 543 2,500	5,575 57 800 e 1,205 62 101 20 614 2,640 19	5,739 54 55 1,000 1,171 58 109 19 636 2,612 25	5,885 56 900 c/ 1,240 52 95 21 813 2,630 22	57 / 1,120 390 2,700
Maize	1,337 660 6 20 8 7 14 24 598	1,576 800 6 c 5 11 7 10 17 720	1,538 770 / 6 <u>c</u> 8 8 8 19 13 706	1,549 771 8 7 7 7 8 17 10 721	1,508 743 8 <u>c</u> / 6 8 10 14 10 709	809 690
Rye	493 493	613 613	641 641	642 642	655 655	667 667
Oats	323 307 16	359 348 11	380 369 11	382 372 10	395 384 11	 392
Millet	553 352 <u>f</u> / 93 76 32	894 670 102 79 43	861 680 70 79 32	479 276 87 77 39	297 117 70 70 40	•••

Table II (continued)

Crop and country	Annual average 1948-1952	1954	1955	1956	1957	1958 <u>a</u> /
Sorghum	1,100 191 820 89	944 192 615 137	1,545 184 1,280 81	1,341 201 1,047 93	1,341 189 1,055 97	•••
Rice (paddy) Egypt (UAR) Iran Iraq Syria (UAR) Turkey Other countries .	687 256 220 174 4 31 2	681 256 250 120 6 46	585 252 243 54 4 29	688 290 280 70 2 42 4	723 307 250 91 1 70 4	•••
Pulses g/		783 171 85 <u>e</u> / 46 6 34 9 10 121 288	820 12 190 85 <u>c</u> / 41 7 30 9 22 120 304	819 12 181 85 c/ 43 7 33 8 15 124 311	857 12 189 85 <u>c</u> / 41 6 36 9 15 137 327	
Cotton lint Aden	1 761 133 29 207 107 474	1,964 8 663 200 56 264 187 582	2,222 13 763 230 57 277 249 625	2,137 14 694 210 58 242 272 637 10	2,266 14 <u>e/</u> 764 223 65 309 258 625 8	800 56 295 261 631
Sugar-beets Iran	85 34 1 <u>f</u> / 50	11 ⁴ 38 1 5 70	147 46 1 3 97	167 43 1 3 120	196 46 3 3 1 ⁴⁴	•••
Sugar-cane Egypt	37 37	48 48	47 47	46 46	• • •	• • •
Tobacco	156 16 4 4 2	203 17 10 6 3 7	217 19 7 4 3 7	220 21 7 3 3 7	218 22 8 4 3	•••

Table II (continued)

Crop and country	Annual average 1948-1952	1954	1955	1956	1957	1958 <u>a</u> /
Tobacco (continued) Turkey Other countries	122 3	156 4	173 4	1.75 4	170 4	
Oil-seeds h/ Aden Cyprus Egypt (UAR) Iran Iraq Israel Jordan Lebanon Sudan Syria (UAR) Turkey	2,245 4 7 792 147 58 4 5 6 403 121 698	2,629 11 6 698 225 91 8 14 4 521 210 841	2,989 15 7 802 255 84 11 11 5 634 270 895	3,167 16 5 737 235 86 14 15 5 835 295 924	3,058 16 4 802 248 99 16 10 4 696 265 898	

Source: Food and Agriculture Organization of the United Nations, Monthly Bulletin of Agricultural Economics and Statistics. Years stated refer to period in which crops are harvested.

- a/ Preliminary figures.
- b/ Average of four years.
- c/ Estimated.
- d/ Crop includes spelt.
- e/ Including Arabian peninsula countries and the Sudan.
- f/ Average of three years.
- g/ Dry beans, dry peas, broad beans, chick-peas and lentils.
- h/ Soya beans, ground-nuts, cotton-seed, linseed, sesame seed, sunflower seed.

Table III. Production of Principal Crops, by Country (Thousands of tons)

Crop and country	Annual average 1948-1952	1954	1955	1956	1957	1958 <u>a</u> /
Wheat	9,238 48 1,113 1,860 448 24 <u>b</u> / 127 51 15 762 4,771	11,414 71 1,729 2,100 1,160 34 233 60 14 965 5,010 38	11,965 62 1,451 2,313 453 36 79 60 17 438 7,016 40	13,100 82 1,547 2,700 776 74 242 60 18 1,051 6,510	15,653 80 1,467 2,800 1,118 83 220 65 14 1,354 8,419	1,412 2,70€ 754 27 .561 8,670
Barley	4,388 47 123 767 722 44 52 25 321 2,270 17	5,527 70 116 820 1,239 90 104 27 635 2,400	5,058 53 127 880 757 42 25 26 137 2,985 26	5,852 65 129 1,000 1,066 85 96 21 462 2,900 28	7,061 70 131 980 1,305 74 81 24 721 3,650	135 950 953 179 3,600
Maize	2,209 1,378 6 14 8 12 13 31 747	2,565 1,568 7 4 23 13 12 24 914	2,664 1,714 e/ 7 26 14 23 18 855	2,602 1,652 e/ 14 6 23 14 20 15 858	2,348 1,498 14 5 58 17 11 15 750	1,628 -/ 13 900
Rye	500 500	440 440	650 650	566 566	700 700	780 7 80
Oats	339 326 13	336 325 11	365 356 9	391 382 9	487 4 75 12	480 •••
Millet	360 180 65	602 360 114	575 376 71	380 194 75	295 135 52	 32

Table III (continued)

Crops and country	Annual average 1948-1952	1954	1955	1956	1957	1958 <u>a</u> /
Millet (continued) Turkey Other countries .		88 40	92 36	7 ¹ 4 37	70 38	• • •
Sorghum	518608	1,173 549 464 160	1,850 537 1,202 111	1,796 594 1,067 135	1,809 566 1,097 146	•••
Rice (paddy) Egypt (UAR) Iran Iraq Syria (UAR) Turkey Other countries .	 971 424 205 13 109 	2,031 1,118 526 180 19 183	1,833 1,310 322 83 11 102	2,288 1,573 440 111 6 153	2,541 1,709 480 154 2 192	1,027
Pulses Cyprus Egypt (UAR) Iran Iraq Israel Jordan Lebanon Sudan Syria (UAR) Turkey	5 315 57 27 1 13 13 8 79	831 9 303 55 <u>e</u> 32 4 26 15 11 94 282	828 7 320 55 <u>e</u> 26 2 9 16 26 61 306	822 7 262 / 55 <u>e</u> / 35 5 30 13 11 97 307	892 8 315 / 55 <u>e</u> / 27 3 20 15 18 100 331	
Cotton f/ Aden Egypt (UAR) Iran Iraq Sudan Syria (UAR) Turkey Other countries .	1 . 396 . 26 . 4 . 74 . 30 . 119	732 4 348 60 7 91 80 142	740 4 335 60 8 89 84 157 3	757 6 325 62 8 95 93 165	863 5 405 65 14 128 107 135 4	 442 49 97 180
Sugar-beets Iran	. 349 . 2 <u>e/</u> . 7 <u>g/</u>	1,682 445 21 51 1,165	2,336 536 29 35 1,736	2,499 604 59 45 1,791	3,047 727 61 61 2,198	 37
Sugar-cane Egypt e/ (UAR) . Lebanon	. 2,191 . 2,185 . 6	4,223 4,222 1	4,148 4,139 9	4,138 4,130 8	· · · · · · · · · · · · 8	•••

Table III (continued)

Crop and country	Annual average 1948-1952	1954	1955	1956	1957	1958 <u>a</u> /
Tobacco	. 117 . 12 e/ . 3 . 2 . 2 . 6 . 91	135 12 e/ 9 3 2 6 102 1	147 11 e/ 5 2 2 5 120 2	147 14 e/ 5 2 3 5 116 2	143 14 5 2 3 6 114 2	 5 110
Olives	. 412 . 10 h/ . 2 . 10 e/ . 6 h/ . 23 . 32 . 61 h/ . 268	708 8 3 10 <u>e/</u> 22 61 36 36 36 532	284 8 5 10 e/ 3 12 17 29 200	795 13 3 10 e/ 25 72 55 78 539	329 13 7 10 <u>e</u> / 7 15 13 38 226	91
Olive oil Cyprus	74 h/ 2 h/ 1 h/ 1 h/ 1 h/ 9 h/ 48 h/	124 1 4 15 12 8 83	55 1 2 3 e/ 7 41	139 2 1 4 12 <u>e</u> / 13 17 90	60 2 1 4 <u>e</u> / 1 7	•••
Oil-seeds i/ Aden	1,567 2 2 760 64 18 3 2 5 252 72 387	1,845 9 2 716 134 32 17 4 4 306 159 462	1,985 8 1 699 134 29 24 4 4 404 166 512	2,091 12 1 694 139 31 21 4 531 176 478	2,057 12 1 826 145 46 30 4 3 350 191 449	•••
Citrus fruits Cyprus	299 47 302 75	1,105 48 331 35 392 115 177	1,238 51 365 40 452 102 219	1,173 50 329 45 439 108 193	1,303 73 313 44 436 116 314	

Table III (continued)

Crop and country	Annual average 1948-1952	1954	1955	1956	1957	1958 <u>a</u> /
Dates	838 5 185 <u>b</u> / 125 325 182 <u>j</u> / 31	1,127 13 379 141 394 170 <u>e</u> /	1,086 15 329 100 444 173 e/ 25	962 15 <u>e</u> / 369 132 230 191 25 <u>e</u> /	974 15 <u>e</u> / 364 104 266 200 25 <u>e</u> /	•••
Raisins	181 5 41 8 126 1	220 7 50 23 138 2	220 7 60 11 141 1	267 7 62 11 186 1	224 7 63 13 140 <u>e</u> /	•••
Figs k/ Cyprus Egypt (UAR) Iran Israel Jordan Lebanon Syria (UAR) Turkey	204 3 11 6 <u>1/</u> 6 <u>3/</u> 16 <u>3</u> / 13 42 107	226 4 11 5 <u>e</u> / 5 18 20 56 107	201 3 9 5 <u>e</u> / 6 8 20 50 100	228 3 6 5 <u>e</u> / 9 13 22 49 121	246 3 5 6 10 15 20 51 137	•••

Source: Food and Agriculture Organization of the United Nations, Monthly Bulletin of Agricultural Economics and Statistics. Years stated refer to period in which crops are harvested.

- a/ Preliminary figures.
- b/ Average of four years.
- c/ Crop includes spelt.
- $\underline{d}/$ Including Arabian peninsula countries and the Sudan.
- e/ Estimated.
- f/ Cotton lint; cotton-seed not included. For 1958, second estimate for Egypt and revised estimate for Syria.
- g/ Average of three years.
- \underline{h} / Annual average, 1947-1952.
- i/ Soya beans, ground-nuts, cotton-seed, linseed, sesame seed, sunflower seed.
- j/ Average of two years.
- k/ Fresh basis.
- 1/ 1948.

Table IV. Animals and Animal Products, by Country

Country and item	1950	1954	1955	1956	1957
Cyprus: Livestock a/ Meat b/ Milk b/ Hen eggs c/ Cheese b/ Poultry e/	31 25 2	678 6 28 21 3 707	701 9 28 21 <u>d</u> / 3 1,100	658 9 22 21 <u>d</u> / 3	10 22
Egypt (UAR): Livestock a/f/ Meat b/ Wool b/ Milk b/ Hen eggs c/ Poultry e/	4,512 <u>d</u> / 177 3.6 1,163 455	4,341 195 3.6 904 591 59,294	4,360 <u>a/</u> 209 3.6 966 706 63,518	4,223 <u>d</u> / 220 2.6 1,082	4,358 220 <u>a</u> / 1,089 <u>a</u> /
<pre>Iran: Livestock a/</pre>	31,268 15.0	35.700 d/ 17.7	35,975 <u>a</u> / 19.5	37,025 d/ 19.Ī	37,175 <u>€</u> / 19.5
<pre>Iraq: Wool b/</pre>	13.6	15.0	15.4	15.4	1.0
Israel: Livestock a/ Meat b/ Milk b/ Hen eggs c/ Butter b/ Poultry e/	1.0 112 330	41.4	406 3.0 199 504 1.0 4,960	510	630 2.0
Jordan: Livestock a/ Poultry		•••	•••	1,253	1,156 1,712
Lebanon: Livestock a/	14 <u>d</u> /	590 17 5 1,500	578 19 1,800	610 <u>d</u> / 21	623 <u>a</u> / 20
Sudan: Livestock a/	13,924	17,524	20,240	22,107	22,035

Table IV (continued)

Country and item	1950	1954	1955	1956	1957
Syria (UAR): Livestock a/ Wool b/ Milk b/ Hen eggs c/ Cheese b/ Butter b/ Poultry e/	7.9 349 91 6	6,617 8.3 336 180 13 13	7,033 9.1 341 157 11 12 3,264	7,432 10.2 502 155 12 13 3,045	8,299 10.5 501 146 15 12 3,330
Turkey: Livestock a/	30 3,173 920	61,801 36 2,563 1,113 24,266	56,767 37 3,480 1,118 25,022	59,171 39 3,657 1,166 25,650	61,737 40 2,881 1,193 26,789

Source: Food and Agriculture Organization of the United Nations; Jordan:

Annual Statistical Yearbook, 1957 (Amman). Figures for livestock, poultry and cheese refer to agricultural years; figures for milk include milk fed to young animals.

- a/ Thousands of head.
- b/ Thousands of tons.
- c/ Millions.
- d/ FAO estimates.
- e/ Thousands.
- f/ Excluding camels.

Table V. Egypt (UAR), Israel and Turkey: Daily Food Consumption per Person (Grammes, except as indicated)

Item	Egypt (UAR)	Isa	rael	Turkey	
тоеш	1955/56	1954/55	1955/56	1955/56	1956/57 <u>a</u> /
Total food	1,194	1,648	1,723	1,506	1,316
Calories (number)	2,590	2,860	2,880	2,670	2,670
Protein	77.1	88.8	87.6	85.9	86.6
Animal	14.7	29.9	30.5	11.2	12.6
Vegetable	62.4	58.9	57.1	74.2	74.0
Fats	40.9	82.2	83.3	37.1	37.5

Source: Food and Agriculture Organization of the United Nations; Egypt 1955/56: Ministry of Agriculture.

a/ Preliminary figures.

Table VI. Number of Tractors Used in Agriculture, by Country

					<u></u>
Country	1950	1954	1955	1956	1957
Aden <u>b</u> /		102	150	182	£ 3 #
Cyprus \underline{b}/\ldots	443	1,181	1,476	1,682	1,987
Egypt (UAR) c/	• • •	10,355	10,750	• • •	• • •
Iran	1,186 <u>b</u> /	• • •	• • •		
Iraq	• • •	1,462	1,715	2,096	2,188
Israel	2,300	3,535	4,010	4,500	4,700
Jordan <u>b</u> /	84 <u>a</u> /	305	367	439	566
Lebanon	121	135	160	195	224
Sudan	120			590	833
Syria (UAR)	642 b/	1,483	2,205	3 ,37 0	3,999
Turkey	10,227	37,743	40,282	43,727	44,144

Source: Food and Agriculture Organization of the United Nations; Jordan:

Annual Statistical Yearbook, 1957; Syria: Statistical Abstract,

1957 (Damascus); Turkey: Report on the Turkish Budget for the
Fiscal Year 1956/57.

a/ Both crawler and wheel types.

b/ Tractors used for all purposes, including road-building.

c/ Including garden tractors.

d/ 1951.

Table VII. Quantum Indices of Output in Certain Industries, Major Producing Countries $\underline{a}/$

(1953 = 100)

Product	1950	1951	1952	1954	1955	1956	1957
Electricity	62	70	84	113	133	147	159
Coal	7 9	83	85	103	96	102	108
Manganese	47	58	76	70	77	85	54
Iron ore	45	45	97	96	158	50#	270
Copper	61	7 8	98	111	120	135	137
Chrome	52	71	93	66	7 5	98	115
Phosphates	74	93	92	155	161	172	183
Sugar	69	7 9	92	110	136	142	148
Beer	102	109	113	122	129	115	128
Cigarettes	85	92	96	111	107	113	121
Pobacco	89	101	103	106	96	106	100
Alcohol	91	81	105	96	120	139	158
Cotton yarn	100	106	111	110	125	128	142
Cotton fabrics	80	102	112	115	123	133	140
Paper and cardboard	95	132	100	155	225	245	278
Cement	81	86	87	120	141	150	170
Sulphuric acid	64	80	88	156	212	224	267
Superphosphates	75	97	116	178	247	226	236
Nitrogenous fertilizers	43	78	87	117	130	191	
Rubber tyres				123	145	214	312
Steel	52	76	92	111	125	130	126

Source: Based on table VIII.

a/ For countries included, see table VIII.

Table VIII. Output in Certain Industries, Major Producing Countries (Thousands of tons, except as indicated)

Product and country	1950	1951	1952	1953	1954	1955	1956	1957	1958 (first half)
Electricity (millions									
of kwh)	_			_					
Aden a/	. 10 . 12	13 16	14	16 27	49 49	97	107	112 174	• • •
Cyprus a/ Egypt $(\overline{U}AR)$. 881	870	19 978	1,200	1,240	73 1,411	105 1,545	1,693	97
Iraq a/b/	. 117	186	258	342	390	489	506	481	• • •
Israel a/	. 464	620	808	914	1,076	1,258	1,343	1,340	794
Lebanon	. 114	125	147	164	180	550	250	275 <u>c</u> /	
Sudan a/	. 20	23	27	32	36	45	47	60	• • • Ol.
Syria (UAR) a/d/ Turkey	. 81 . 790	87 888	99 1,020	114 1,201	129 1,398	147 1,583	166 1 , 819	173 2,060	84 1,012
"			-	-					علد و د
Total	2,489	2,828	3,370	4,010	4,547	5,323	5,888	6,368	•••
Coal Iran e/	. 200	170	150	155	252	180	190	150 c/	•••
Turkey	- 07-	2,988	3,010	3,664	3,690	3,498	3,718	3,972	2,040 c/
Total.	3,032	3,158	3,160	3,819	3,942	3,678	3,908	4,122	• • •
Manganese ore (mn									
content)	1.1.	1. 0		90		67	60	0.7	
Egypt (UAR)	. 44	45 4	55 3	82 1	51 14	63 10	60 18	23 18	* * *
Turkey	. 16	25	59	44	514	25	3 0	28 28	***
Total	60	74	97	127	89	98	108	69	• • •
Iron ore (iron conten-	+ \	·						-	
Egypt (UAR)	• •			_	_	18	65	127	
Turkey	143	143	305	315	301	479	577	722	
Total	143	143	305	315	301	497	642	849	•••
Copper ore (metal									
content)		- 0	•-				7.0	w!	
Cyprus	. 16	18	20 2	21 1	22 4	27 4	32	34	* * *
Iran	. <u>-</u> . 12	<u>-</u> 18	23	24	25	24	5 25	5 24	12
Total	28	36	45	46	51	55	62	63	• • •
Olerana and Cha O anni	* ~ ~ * \		ŕ		·				
Chrome ore (Cr ₂ O ₃ conf	. 8	6	6	14	4	14	3	3	
Iran		15	14	3	1.8 1	18	33 33	5 9	* * * *
Turkey	. 207	295	395	438	270	312	400	470	• • •
Total	215	316	415	445	292	334	436	512	•••
Phosphates			1 -=	1.01		~ 1	_		- -
Egypt (UAR)	. 397	501	478	484	535	647	615	585	298
Israel Jordan		~/ ~	- 25	23 40	58 75	72 164	116 208	152 262	* * *
	. 7				75				•••
Total	14O14	508	503	547	668	883	939	999	* * *

Product and country	1950	1951	1952	1953	1954	1955	1956	1957	1958 (first half)
Sugar f/ Egypt (UAR) Iran Syria (UAR) Turkey	175 28 8 150 361	195 55 10 153 413	189 69 19 207 484	229 78 30 188 525	271 77 36 194 578	318 76 45 277 716	312 83 50 301 746	310 75 45 348 778	95 ^g / 108 ^h /
Beer (thousands of hectolitres) Egypt (UAR) Iraq i/ Israel Lebanon Syria (UAR) Turkey Total	131 17 123 21 - 195 487	131 18 145 15 - 211 520	123 18 154 21 - 227 543	84 17 140 18 2 218	85 19 143 23 1 311 582	124 23 146 25 - 298 616	88 22 130 31 1 281 553	97 138 33 9 314 591	158
Cigarettes (millions) Egypt (UAR) j/. Iran k/ Israel Jordan Lebanon Syria (UAR) Turkey 1/ Total	10,700°/ 4,190 1,515 221 830 1,360 15,565 34,381	10,500°/ 4,972 2,025 328 930 1,450 17,215 37,420	10,000 ^E / 5,155 2,050 353 900 1,575 18,805 38,838	9,200°/ 5,772 2,020 452 955 1,645 20,540	9,200°/ 6,681 2,005 452 975 1,775 23,735	9,394 6,813 1,985 508 980 1,850 22,010 43,540	9,726 6,616 2,125 605 1,070 1,885 23,720	29,882 2,220 765 1,090 1,840 26,560	816
Tobacco (tons) Egypt (UAR) j/. Iran k/ Israel Jordan Lebanon Syria (UAR) Turkey m/ Total	4,500°/ 3,847 47 3 304 715 2,303	4,400°/ 5,290 64 3 321 691 2,512	4,200 ^C / 4,879 56 4 233 874 3,241	3,800°/ 5,167 64 4 320 1,015 2,755	3,900 <u>e/</u> 5,295 71 6 315 1,129 3,146	3,887 4,762 69 1 318 1,189 2,402 12,628	4,006 4,945 74 1 363 1,367 3,135 13,889	4,296 77 385 1,106 2,264	1110
Alcohol (thousands of hectolitres) Egypt (UAR) Syria (UAR) n/ Turkey	146 - 52 198	106 11 58 175	144 22 62 228	122 20 75 217	132 18 58 208	136 19 105 260	146 22 133 301	156 41 147 344	54 99
Cotton yarn Egypt (UAR) Israel Lebanon Syria (UAR) Turkey o/ Total	49 3 2 5 30 p/ 86	53 3 2 6 <u>6</u> 30 91	56 2 6 35	59 3 7 20 89	64 ••• 4 7 23 98	73 4 8 26 111	75 6 5 8 26 114	80 7 4 27	41 13

	1950	1951	1952	1953	1954	1955	1956	1957	1958 (first
Product and country						·	·····		half)
Cotton fabrics (pure,									
millions of metres) Egypt (UAR)	225 <u>c/</u>	306_ /	317	322	352	380	411	442	209
Israel q/	13=/	12 <u>c</u> /	• • •	•••	• • •	• • •	29 36	32	•••
Lebanon q/	6	5	6	12	36	32		35	a + +
Turkey r7	130	151	182	118	132	146	153	157	74
Total p	361	462	505	452	520	558	600	634	•••
Paper and cardboard					_1			_1	
Egypt (UAR)	20	20	20	20	214	29 14	32 21	34 23 ° /	/ •••
Turkey	<u>-</u> 18	23	20	20	- 38	47	45	54	28
Total	3 8	53	40	40	62	90	98	111	
,).	,,,	10	~~	0.2	90	<i>)</i> 0	وقد ما بر الم	•••
Cement s/ Egypt (UAR)	1,022	1,074	1,947	1,097	1,237	1,371	1,351	1,466	768
Iran t/	54	56	53	65	62	132	224	139	67
Israel	380	439	446	465	566 86	664	613	719	331
Jordan	263	3 03	280	31 ¹ 1	326	95 453	79 488	107 560	63 303
Syria (UAR)	68	39	151	224	249	264	3 26	314	155
Turkey	396	396	459	528	708	821	972	1,261	717
Total	2,183	2,307	2,356	2,693	5,25 ⁴	3,800	4,053	4,566	2,404
Sulphuric acid							_	-	
Egypt (UAR)	38	47	1 4 14	40	57	73	80	85	* * *
Israel	_ 11	<u></u> 14	7 1.6	16 20	43 19	70 18	72 18	96 22	49 82/
Total	49	61	4.0 67	76	119	161	170	203	0
	77.7	O.L.	01	10		1.01	710	200	* * *
Superphosphates Egypt (UAR)	69	89	106	68	108	137	157	170	
Israel	10	11	16	33	71	101	96	108	44
Turkey	13	19	21	22	40	66	25	12	1
Total	92	119	143	123	219	304	278	290	
Vitrogenous fertilize	rs u/								
(nitrogen content)									
Egypt (UAR)	•••	17	19	55	25	27	33	32	* * *
Israel	1	1	1	-	1	2	10 1	1	• • •
Total	1	18	20	23	 27	30	<u></u> 44	• • •	•••
				-		-			
Rubber tyres (thousan Egypt (UAR)	us <i>)</i> -	_		•••	**	-	64	156	•••
Israel	•••	***	-	118	145	171	188	212	115
Total	-	****	•••	118	145	171	252	368	•••
Steel					_			<u>~ /</u>	1
Egypt (UAR)	25	32	50	58 263	76	89	95	103°C/	
Turkey	91	135	153	163	169	188	193	176	74
Total	116	167	203	551	245	277	288	279	

(Source and footnotes on following page)

Source: United Nations Bureau of Economic Affairs; United Nations, Statistical Yearbook, 1958 (sales number: 58.XVII.1), The Development of Manufacturing Industry in Egypt, Israel and Turkey (sales number: 58.II.B.4); Food and Agriculture Organization of the United Nations, Yearbook of Food and Agricultural Statistics (Rome); Egypt: Budget Speech, 1958/59 (Cairo, 1958) (in Arabic); National Bank of Egypt, Economic Bulletin (Cairo); Federation of Egyptian Industries, Annuaire (Cairo); Ministry of Industry, Al Nahda Al Sina'iya, No. 1 (Cairo, 1958) (in Arabic); Iran: Bank Melli Iran, Balance Sheet (Tehran); Lebanon: Bulletin statistique trimestriel (Beirut); Israel: Central Bureau of Statistics, Statistical Abstract of Israel, 1957/58 (Jerusalem); Economic Indicators; Jordan: Annual Statistical Yearbook, 1957; Ministry of Economy; United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), "Bulletin of Economic Development, No. 14" (Beirut, 1956) (mimeographed); Syria: Directorate of Industry, General Monthly Bulletin of Current Statistics (Damascus); Turkey: Central Statistical Office, Monthly Bulletin of Statistics (Ankara).

- a/ Including only enterprises generating power primarily for public use.
- b/ Consumption, excluding power generated for pumping oil through pipelines.
- c/ Preliminary figures.
- Including only five public utilities; total public and private production reached 262 million kilowatt-hours in 1957.
- Twelve months beginning 20 March of year stated.
- f/ Production during crop year ending in the year stated generally September to August except for Syria.
- g/ Total, 1957/58.
- h/ January to September 1958, compared with 120,000 tons in the corresponding period of 1957.
- i/ Twelve months beginning 1 April of year stated.
- j/ Estimates for 1950 to 1954. Based on imports of tobacco leaf and tombac.
- Twelve months beginning 21 March of year stated; excluding cigarillos 1951-1955. k/
- 1/ Twelve months beginning 1 March of year stated.
- m/ Cigarette tobacco only.
- n/ Alcoholic liquids, converted at the rate of 1 ton = 12.5 hectolitres.
- o/ Beginning 1953, government production only; 53 per cent of total production in 1952.
- p/ Excluding Israel.
- q/ Production converted at the rate of 1 metric ton = 7,000 metres.
- r/ Beginning 1953, government production only about 70 per cent of total production.
- s/ Excluding Iraq.
- t/ Excluding natural cement.
- Years beginning July.

Table IX. Indices of Industrial Production, A Selected Countries
(1953 = 100)

Country and item	1951	1952	1954	1955	1956	1957	1958 (JanSept.)
Egypt (UAR):							
Crude petroleum	102	105	87	89	81	104	
Salt and phosphate	121	114	112	125	130	117	
Food and tobacco b/	108	102	100	112	120	128	
Textiles	91	97	109	116	126	134	•••
Footwear	97	97	101	97	94	97	•••
Furniture	122	119	122	131	157	138	* • •
Paper, cardboard and products							• • •
thereof	98	94	115	142	154	172	• • •
Printing and periodicals	89	88	116	122	124	121	
Tanning industry	92	102	107	124	121	106	• • •
Alcohol, soap and oils	88	96	103	111	116	118	• • •
Petroleum refineries	131	136	114	152	744	175	• • •
Basic metal industries	55	86	131	149	159	156	
Motor-car repairs	88	94	114	122	121	122	
General index of manufactures	95	98	107	117	125	132	•••
Israel: c/							
Minerals		• • •		100	144	219	275
Food		• • •		100	99	105	125
Textiles			• • •	100	101	117	123
Clothing and footwear		• • •		100	92	88	100
Wood-work				100	96	108	109
Printing and paper				100	9l4	96	107
Leather			• • •	100	108	113	49
Rubber products	•••	• • • •		100	89	114	126
Chemicals			•••	100	101	112	115
Stone and cement		• • •		100	92	107	117
Diamonds	• • •	• • •		100	98	112	101
	* • •	• • •	* * *	100	97	108	116
	• • •	• • •	* * *	100	112	110	111
Machinery	* * *	• • •	• • •		***************************************		·
Vehicles		• • •	* * *	100	116	137	175
Electrical appliances	* * *	• • •	•••	100	8o.r	119	137
General index of manufactures	• • •	•••	• • •	100	98	109	•••
Turkey:	al.	0.3	7.00	770	-1	2 50	
Food, beverages and tobacco d/	94	91	109	132	141	156	• • •
Coal mining	82	82	101	97	103	112	
Metal mining	67	89	62	77	117	112	***
Sulphur	76	85	102	117	142	13 ⁴	• • •
Textiles	82	96	118	129	122	129	• • •
General index of manufactures	86	93	117	134	136	150	

Source: Statistical Office of the United Nations.

a/ Classified according to United Nations, <u>International Standard Industrial</u> Classification of all Economic Activities, Statistical Papers, Series M, No. 4.

b/ Canning, fruit preserving, tobacco, mouassel and edible oils.

c/ 1975 = 100.

d/ Sugar, beer, spirits, wine and tobacco.

Table X. Production of Crude Petroleum, By Country
(Thousands of tcns, except as indicated)

Country	1950	1954	1955	1956	1957 <u>a</u> /	1958 <u>a</u> /
Bahrain	1,506 2,592 32,259 6,584	1,503 2,278 3,500 30,625	1,502 1,821 17,070 32,705	1,506 1,723 26,481 31,322 - 21	1,599 2,362 35,129 21,980 - 54	2,034 2,904 b/ 40,415 35,492 - 89
Kuwait	17,291 1,636 26,649 17	47,723 849 4,779 46,455 58	54,756 1,266 5,438 47,042 179	54,982 1,672 5,877 48,201 306	57,286 3,328 6,611 48,361 298	70,223 3,787 <u>b</u> / 8,222 49,478 328
Total, Middle East (millions of tons)	88.5	137.8	161.8	170.7	177.0	213.6 <u>e</u> ,
World total d/ (millions of tons)	522.9	689.3	772.8	839.8	884.3	905•2
Middle East total as percentage of world total		20.0	20•9	20.3	20.0	23.6

Source: United Nations, Statistical Yearbook, 1958; Monthly Bulletin of Statistics, April 1959; Reply of the Government of Israel to the United Nations questionnaire of 1958-1959 on economic trends, problems and policies; Petroleum Press Service (London), April 1959.

a/ Preliminary figures.

b/ Eleven months.

<u>c</u>/ Annual production of Egypt (UAR) and Neutral Zone estimated at the rate of the first eleven months.

d/ Excluding China (mainland).

Table XI. Output of Major Refinery Products, by Country (Thousands of tons, except as indicated)

Country and year	Motor spirits	Kerosene	Heavy oils <u>a</u> /	Total, major products
Aden: 1954	105	32	1,014	1,151
	572	373	3,105	4,050
	638	394	3,441	4,473
	624	343	3,161	4,128
Bahrain: 1950	1,816	727	4,450	6,993
	2,230	1,078	6,282	9,590
	2,009	1,061	6,073	9,143
	1,628	1,129	6,417	9,174
	1,305	949	6,458	8,712
Egypt (UAR): 1950	200	151	1,760	2,111
	226	220	1,727	2,173
	259	275	1,922	2,456
	261	243	1,865	2,369
	289	277	2,294	2,860
<u>Iran:</u> 1950	4,394	2,375	16,407	23,176
	470	490	1,850	2,810
	1,231	1,276	4,767	7,274
	2,182	1,833	7,288	11,303
	2,678	2,409	9,927	15,014
Iraq: 1950	67	77	240	384
	130	174	600	904
	152	198	751	1,001
	194	236	1,010	1,440
	195	244	749	1,188
Israel: 1950	31	27	240	187
	170	141	611	922
	191	140	634	965
	204	138	595	937
	165	138	693	996
Kuwait: 1950	15	5	1,132	1,152
	45	13	1,450	1,508
	50	18	1,463	1,531
	51	20	1,441	1,512
	62	23	1,450	1,535

Table XI (continued)

Country and year	Motor spirits	Kerosene	Heavy oils <u>a</u> /	Total, major products
Lebanon: 1950	98	61	235	394
	112	66	330	508
	158	83	604	845
	177	95	664	936
	179	107	731	1,017
Saudi Arabia: 1950	982	380	3,598	4,960
	1,494	1,087	7,905	10,486
	1,305	984	7,446	9,735
	1,279	775	7,430	9,484
	1,048	902	7,259	9,209
Turkey: 1950	1 1 4 52 62	-	4 60 184 173	5 5 78 236 235
Total, Middle East (millions of tons): 1950	7.6	3.8	28.0	39.4
	5.0	3.3	21.8	30.1
	5.9	4.4	26.8	37.1
	6.7	4.9	30.3	41.9
	6.6	5.4	32.9	45.0
World total c/ (millions of tons): 1950	145.0	27.4	243.6	416.0
	189.2	40.4	318.1	547.7
	205.6	44.0	350.6	600.2
	217.2	48.0	384.1	649.3
	220.6	47.2	396.0	663.8
Middle East total as per- centage of world total: 1950	5.2 2.6 2.9 3.1 3.0	10.0	11.5 6.9 7.6 7.9 8.3	9.5 5.5 6.2 6.4 6.8

Source: United Nations, Statistical Yearbook, 1958; United States Bureau of Mines, World Petroleum Statistics (Washington, D.C.).

a/ Excluding lubricating oil.

b/ Preliminary figures.

c/ Excluding mainland China, Czechoslovakia, India and USSR.

Table XII. Geographic Pattern of Trade, by Country (Percentage of total trade of given country)

area	Other countries	24.7 29.0 28.6 30.8	19.2 17.7 19.6 19.6	67.50 6.75 6.75 6.57 7.77	26.2 21.6 24.3 24.8 29.2
distribution by trading	Other eastern Europe	0 V 4 4 V 4 6 V 0 L L 1 0	ではななすべがははがらる	1 1 1 1 1	00000H 00000H
ution l	USSR	1111000 000000	011050	1 1 1 1 1	1 1 1 1 1 1
Percentage distrib		36.7 33.1 30.2 29.8 30.1	28.3 28.3 27.4 27.6	6.60 6.7.6 6.4.6 6.4.6	11. 6.7.7.7.8 6.6.6.6.6.6.6.6.6.6.6.6.6.6.6.6.6.6.6
Perce	United Kingdom	15.2 12.9 10.8 11.5	16.0 14.9 15.3 15.3 15.3	7.7	98 8.00.41 9.00.60
	United States	6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6	14.5 15.8 16.0 15.6 15.7	444004 487570	400000
	Middle East	11.8 12.4 13.0 11.9 12.7	15.9 16.2 16.2 15.4 15.6	16.8 20.6 19.8 22.4	22.7 52.3 52.3 6.7.7 50.8
Total	trade (millions of dollars)	3,385.7 3,905.4 4,117.2 4,418.8 2,032.5 2,458.0	2,973.8 3,424.3 3,486.4 3,717.7 1,778.2	125.3 175.5 180.5 182.8 76.8	186.5 209.8 199.4 201.4 92.0 97.0
	Country, item and pericd	Total, Middle East Exports: 1954 1955 1956 1957, first half: 1958, first half:	Imports: 1954	Aden 1954 1955 1956 1957 1957, first half	Imports: 1954 1955 1956 1957 1957, first half

Table XII (continued)

T. C.	rn Other e countries	0450WW 74410W	11.6 10.1 10.5 8.8 8.8	30.5 30.1 30.5 31.6	17.6 18.3 19.1 23.4 20.7
trading area	Other eastern Europe	011111	0 1 0 0 1 0 5 0 1 0 0 0	9.6. 9.41. 9.6. 19.81. 19.81. 19.81.	4 000 11 11 11 11 11 11 11 11
ğ	1 USSR	O H H O . O . O . O . O . O . O . O	1 1 1 1 1	14. 6. 9. 9. 9. 9. 9. 9. 9. 9. 9. 9. 9. 9. 9.	1.001
distribution	Continental vestern Europe	64 7.00.7 7.00.7 7.00.7 8.54	2000 2000 2000 2000 2000 2000 2000 200	26.4 29.9 21.3 21.0 18.8	4 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2
Percentage d	United Kingdom	7. 12. 4. 12. 12. 13. 13. 13. 13. 13. 13. 13. 13. 13. 13	47.05.0 445.00 6.00.00 6.00.00	01 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	12.6 11.8 1.5 1.0
Pe	United States	4 4 11 0.00 0.00 0.00 0.00	44 <i>ww</i> aa aoowa4	40 W4 WW O W W W W W	10.9 11.7 13.4 9.0 10.0
	Middle East	9 N. W. O O O O O O O O O O O O O O O O O O	らられるらなった。	7.8.11 6.01 6.01 6.01 6.01	7.8 8.0 10.0 1.3 4.7
Total	trade (millions of dollars)	47.5 51.9 62.6 52.9 29.4 26.0	66.0 85.2 109.4 126.4 64.3	413.1 419.3 408.8 492.7 268.9	472.2 537.8 535.4 524.3 250.2
	Country, item and period	Cyprus Exports: 1954 1955 1957 1957 first half	Imports: 1954 1955 1956 1957, first half	Egypt (UAR) Exports: 1954 1955 1956 1957 1957 1957, first half 1958, first half	Imports: 1954 1955 1956 1957, first half 1958, first half

Table XII (continued)

	Other countries	4. 8. 8. 4. 4. 6. 4. 6. 4. 6. 4. 6. 4. 4. 6. 4. 4. 4. 6. 4. 4. 4. 4. 4. 4. 4. 4. 4. 4. 4. 4. 4.	049 649 7.058 7.0	23.1 26.0 21.3 20.7 20.7	29.7 20.1 1.99.4
ng area	Other eastern Europe	60000000000000000000000000000000000000	101111	4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	ч <u>ч</u> и у у хө оо ч
1 by trading area	l USSR	000000 210100	1 1 1 1 1	1 1 1 1 1 1	1.000 1.000
distribution	Continental vestern Europe	2000 2000 2000 2000 2000 2000 2000 200	68 627 627 727 527 527 537	25.0 20.0 20.0 20.0 20.0 4.0 4.0	22 23.4 30.0 34.5
Percentage d	United Kingdom	9.57 11.57 14.51 10.8	16.4 11.6 6.9 6.0 4.6	28.28 28.28 20.09 20.09 20.09 20.09 20.09	22.0 20.2 20.5 20.0
Ę	United States	23.8 19.6 16.7 16.9	4 a 4 w o w o a 4 o o a	41 15 15 15 15 15 15 15 15 15 15 15 15 15	16.3 18.0 17.6 14.5
****	Middle East	9 10 0 10 4 10 9 6 9 10 9 10	4.3 6.1 10.9 13.9	4 w 4 w w w 0 0 0 0 0 w 0	175.0 0.00.0 0.00.0
Total	trade (millions of dollars)	213.3 278.0 278.3 314.1 149.5 195.0	487.8 518.8 477.7 359.6 129.2	203.8 272.3 320.7 342.8 171.8	88.1 90.2 107.1 139.6 84.2
	Country, item (I	Iran ^b / Imports: 1954 1955 1956 1957 1957, first half c/	Iraq Exports: 1954 1955 1956 1957, first half: 1958, first half:	Imports: 1954 1955 1956 1957 1957, first half 1958, first half	Israel Exports: d/ 1954 1955 1957 1957, first half

Table XII (continued)

AND THE PARTY OF T	Total			Percents	Percentage distribution by		trading area)a
Country, item and period	trade (millions of dollars)	Middle East	United States	United Kingdom	Continental vestern Europe		Other eastern Europe	Other countries
Israel (continued) Imports: 1954 1955 1956 1957 1957 1957 1958, first half	286.5 325.0 367.0 403.3 220.0	7 6 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	27.4 28.6 31.8 26.9 27.2	9.60 6.00 8.60 8.60 8.60 8.60 8.60 8.60 8	8888888 84888 84888 84888	0.0	1100711 9.0971	22 23 23 24 25 21 25 21 25
Jordan Exports: 1954 1955 1956 1957, first half c/	7.8.4.4.9.0.0.0.0.0.0.0.0.0.0.0.0.0.0.0.0.0	88 66.07 7.05.07 6.09 6.00	44.01. WW 8	i 1 1 1 1 1	ユ۵ユユユ ろらす じょ o	1 1 1 1 1	1 C NO O O O O O O O O O O O O O O O O O	15.22 22.55 1.4.6 24.5
Imports: 1954 1955 1956 1957 first half c/	55.6 75.8 77.9 85.4 41.0	27.88 23.88 34.44.44 24.54.44.45	201 7.00 7.00 7.00 8.00	25. 20. 10. 20. 20. 20. 20. 20. 20. 20. 20. 20. 2	22.22.22.22.22.22.22.22.22.22.22.22.22.	1 1 1 1 1 1	W H W W O V W H	10.9 17.1 17.7 17.9 14.1
Lebanon = / Exports: 1954 1955 1957 1957, first half 1958, first half	32.9 37.2 45.3 21.1 18.2	5.05.44 4.05.44 5.05.44 5.05.44	0 0 0 4 0 4 1 0 1 4 0 4	440444 08086	18 16.00 1.00 1.00 1.00 1.00 1.00	เ ด ด พ ด 4 L ด ด ฉ อ	9 4 9 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	9.7 8.9 1.11 17.6 16.5

Table XII (continued)

	Total			Percentage	ntage distribution	ution by	trading	area	l
	trade				1		Other		1
Country, item	(millions of	Middle Fect	United States	United	Western	ָרָ בַּ	eastern	Other	
alla per roa	40114 8 /	הממים -	0.00.00	ntiigudii	año.rng	מממ	Lurope	countries	
<pre>Lebanon (continued): Imports:</pre>	ند ((C 1		C F	(
	+ TVX	ν. Το 100	14.0	٦. ا	26.8	다.	બ બ	6.2	
1956	t* 1 t 2	л к - 0 - 1			00 00 00	ر د د	oi o	10.7 2.0	
, , , , , ,	286.1	27.6	11.6	17.9	0. 0. 0.	000	n on から) 0 0	
1957, first half . 1958, first half .	128.5 130.1	26 <u>.</u> 8 22.6	13.5	15.6	32.8 32.8	0 0 0	ด เมื่อ	0.6	
Sudan						•			
Exports:	,								
1954	116.0	11.3	к Г-и	4 6 6	29.8	ı	9.0	12.3	
	191.8	7.5	vi o	N 00 K	75.50 7.50 7.00	t	on r	25 25 25 20	
1957	1,38.0	, [2]	ין ט יין יי	, 0	7.00	י מ	, c	טירס טירס	
1957, first half .	60.7	21.9	10,	19.5	35.4	₹ 1	0.1	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	
1958, first half .	78.5	14.8	2.2	29.0	28.2	1	5.0	20.6	
Imports:		•	,			•			
1954	139.1	₩ 1.	۳. م.	32.5	20.5	0.1	7.8	25.5	
1955	140.0	15.5	o, o	%0.6	9.0		N7	51.5	
1950	בי היים בי היים כמי	T ファ	N K	0 0 0 0 0	18.5	0 	ν. 	30 . 6	
1957. first half	78.0	16.3	, 4 , 0	ر د د د د	0,00	- c	, o	, М Ф М	
1958, first half .	98.8	14.9	, ci	26.0	20.1	4.0	2.1	32.7	
Syria (UAR) =/									
Exports:	730.3	0, L1	1, 1	K	o T			<i>y</i> :0	
1955	132.3	37.4	4	ω .0.	40.7		.⊢l • ••••l	7.7	
1956	145.0	41.7	~† લ	2°	<u> 5</u> 8.2	0.8	0.0	7.2	
1957 first half	155.5	, Q	w w	-i -	0, 0, 0, 0,	on k on r	∞ ÷ √ π	10.5	
	70.5	30.5	ω.	10 10	25.1	, t	15.5	13.9	

Table XII (continued)

THE REAL PROPERTY OF THE PROPE	Total			Percenta	Percentage distribution by		trading area	Ø
Country, item and period	trade (millions of dollars)	Middle East	United States	United Kingdom	Continental western Europe	USSR	Other eastern Europe	Other countries
Syria (UAR) (continued 1954	ed) 186.1 196.4 205.0 172.3 78.3	20.5 20.5 20.6 20.6	12.0 11.0 10.6 11.2	12.0 12.8 11.8 7.7 8.29	40.45 33.55 34.75 7.75 7.75	110111	90 % 5 5 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6	12.9 17.0 15.6 15.6 8
Turkey Exports: 1954 1955 1956 1957 1957, first half	334.9 313.3 305.0 345.2 185.0	0 tv tv 4 tv 0 0 d 0 d 0	17.4 15.5 19.6 26.0 28.2	4.50.00	76.17 42.7 7.82.0 7.1.6 8.6 8.6	440445	14.9 20.2 17.5 16.8 25.5	0 0 0 0 0 0 0 0 0 0 0 0 0
Imports: 1954 1955 1956 1957 1957, first half	478.3 497.6 407.3 397.1 188.7	0.404 0.400 0.400 0.400	15.0 22.4 21.1 28.9 27.8	0 L 0 L 0 L	25.7.5.5.5.5.5.5.5.5.5.5.5.5.5.5.5.5.5.5	011000	8.7 16.7 17.3 14.0 12.6	00 00 00 00 00 00 00 00 00 00 00 00 00
Iran, Saudi Arabia, Kuw Bahrain, Qatar, Neutral Exports: 1954 1955 1956 1957 1957 1957, first half 1958, first half	Kuwait, tral Zone 1,601.9 2,013.9 2,179.5 2,179.5 2,179.5 1,102.0 f. 1,102.0	4. 4. 8. 6. 6. 8. 6. 6. 6. 6. 6. 6. 6. 6. 6. 6. 6. 6. 6.	9991 7.907 7.907 8.907	16.6 17.9 17.9 14.9 14.9	88888888888888888888888888888888888888	400000	000000	0.000 0.000

Table XII (continued)

	Total		mmindre that the same and same	Percentage	Percentage distribution by trading area	by tra	ding area	
Country, item and period	trade (millions of dollars)	Middle East	United States	United Kingdom	Continental western Europe	USSR	Other eastern Europe	Other countries
Iran, Saudi Arabia, Kuwait, Bahrain, Qatar, Neutral Zone (continued) Imports: 1954 1955 1957 1957 1957 1958, first half	678.3 843.0 878.3 998.1 473.5	26 26 27 27 27 27 27 27 27	18.7 19.2 20.0 18.5 18.8	15.7 15.6 18.8 14.6	19.3 20.0 20.8 21.9 23.7	000000	404440 40008	18.1 21.0 17.2 18.1 17.7

Source: Statistical Office of the United Nations.

Including ships' stores and bunkers.

Excluding duty-free imports; for 1955, including gold.

Estimated.

National exports, excluding nationalized re-exports.

Including gold.

Table XIII. Major Exports excluding Petroleum, by Country (Weight in thousands of tons, except as indicated; value in millions of indicated currency units)

	<u>.</u> -	-1						<i>~</i> ••	195		195	
Country and item	19 Weight		19 Weight		Weight		19 Weight		(first Weight	Value	(first Weight	
						······································						
Cyprus: Total exports a/												
(pounds sterling)		17		19		22		19		11 <u>ъ</u>	/	9 <u>b</u>
Fruits and vegetables .		3	• • •	3		ţţ		lş.		• • •	• • •	0 6 6
Metalliferous ores and metal scrap	b so #	8	* * v	6		9	***	6				
Egypt (UAR): Total exports												
(Egyptian pounds)		143 c/	/	رع 145	/	141		170		94		88 4
Onions (raw, dehydrated)	172	2	176	3	199	5	158	3	137	3	150	4
Rice	47	3	183	7	221	9	296	12	180	7	308	12
Artificial silk fabrics	0.7	1.9	1.0	2.5	1.7	3.4	1.0	2.3	0.5	1.0	0.6	1.3
Cotton, raw	288	113	277	107	235	99	264	124	136	68	131	55
Cotton yarn	11	4	11	4	11	5	11	6	5	3	6	3
Cotton fabrics	1	1	1	1	4	4	4	4	2	2	3	3
<u>Iran: e/</u> Total exports (rials) .		10,288		8,149		7,931		8,353		3,730		4,500
Rice	61	751	28	277	3	28		,	• • •			•••
Raisins, almonds and pistachio nuts	41	1,092	1414	861	1,1,	1,015			• • •		• • •	
Dates, other fruits			46	294	46	304						
and nuts	53	499	-	•		-	***	* 4 4	• • •	• 4 4	9 W *	
Hides and skins, raw .	7	443	7	408	8	288		•••	5 	v # *	• • •	• • •
Cotton, raw	46	2,954	36	1,674	39	1,677	•••				***	*
Wool, raw	ğ	603	9	714	10	667	• • •	• • •	* * *	•••	v # u	
Carpets, woollen	5	1,255	5	1,256	5	1,260	• • •	• • •		+ 4 >		
Iraq: Total exports												
(Iraqi dinars)		19		17		14		1.3		5		8
Dates	218	ĵŧ.	250	3	264	3	228	1,	97	1	83	1
Barley and wheat	519	9.0	391	8.0	290	5.0	204	3.0	48	0.7	222	3-3
Livestock (thousands of head)	385	1.6	151	0.4	83	0.14	89	0.4	45	0.2	147	0.5
·	ردر	1.0		0,,	ر	•	-,	• • •				
Israel: Total exports (US dollars) f/		88		90		107		140		85		85
Oranges and grapefruit (thousands of cases).	8,095	33	6,788	31.	7,533	39	8,115	46	7,099	41	6,467	40
Diamonds, polished (thousands of carats)	184	16	227	20	264	25	345	3 3	173	16	165	16
Other items wholly or mainly manufactured .		28		29		28		ĵŧΟ		20		19
Jordan:												
Total exports (Jordanian dinars)		3		3		5		6			a < p	
Vegetables and fruits .	57	0.9	63	ı	86	1.7	88	1.9	}		4 4 4	* * *
•		_	-									

Country and item		954 Value)55 Value)56 Value		57 Value	19 (first	half)	195 (first	half)
	WCTB11	, , , , , , , , , , , , , , , , , , , ,	weren	ACTUE	Merku	· value	METRIL	, value	Weight	varue	Weight	value
<u>Lebanon</u> :												
Total exports $g/$ (Lebanese pounds) .		93		108		130		133		62		54
Vegetables h	89	16	78	13	99	21	90	19	32	7	17	5
Fruits <u>i</u> /	70	18	68	19	83	22	94	26	51	12	58	18
Cotton and wool 1/	5	5	łţ	9	5	9	5	1.0	2	5	2	Ħ
Hides and skins, raw	1	4	2	14	3	6	3	6	1	2	1	1
Sudan:												
Total exports k/ (Egyptian pounds) .		42		52		68		50		21		27
Cotton, ginned	61	22	95	30	115	42	57	21	18	7	49	15
Cotton-seed	106	3	100	3	152	5	180	5	38	1	31.	1
Ground-nuts	24	1	50	2	64	ł ₄	76	14	54	14	38	2
Gum arabic	39	<u>l</u> ŧ	142	5	49	5	41	5	19	2	26	3
Syria (UAR):												
Total exports g/ (Syrian pounds)		460		459		502		544		237		248 <u>a</u> /
Barley	451	86	29	8	301	65	331	52	43	9	90	13
Wheat and wheat flour	261	79	35	11	183	58	359	90	95	27	115	29
Cotton, ray	42	125	89	234	56	149	82	189	42	99	56	123
Wool, raw	5	23	7	33	8	34	7	30	3	13	1	4
Sheep (thousands of head)	520	55	735	59	554	25	25	1	25	J.	65	3
m												
Turkey:		070		0.00		O.S.		~(~		0		
Total exports (Turkish pounds)		938		877		854		967		518		416
Wheat, unmilled	954	189	160	35	177	50		_	-	"	-	-
Fruit and nuts 1/	123	128	112	173	107	157	132	201	48	68	37	51
Tobacco, unmanufactured	64	241	60	249	61	262	89	389	55	250	55	250
Cotton, raw	60	147	53	128	35	74	61.	116	33	66	5	4
Chromium ore and concentrates	357	43	560	56	642	65	571	56	258	27	299	30

Source: For 1954-1957: United Nations, Yearbook of International Trade Statistics, 1957, vol. 1 (sales number: 58.XVII.2, vol.1); Iran: Annual Commercial Statistics, (Teheran); Israel: Bank of Israel, Annual Report, (Jerusalem); Turkey: Monthly Bulletin of Statistics; Statistique annuelle du commerce extérieur, (Ankara); For half-years 1957 and 1958; Cyprus: Statistical Summary for the Month of June 1958 (Nicosia); Egypt: Monthly Summary of Foreign Trade, (Cairo) Jenuary - June 1957 and Jenuary - June 1958; National Bank of Egypt, Economic Bulletin, 1958, Nos. 2 and 3; Iran: International Monetary Fund, International Financial Statistics (Washington, D.C.), March 1959; Iraq: Quarterly Bulletin of Statistics; Quarterly Bulletin of the Central Bank of Iraq (Baghdad); Israel: Statistical Bulletin of Israel (Foreign Trade), (Jerusalem) July 1958; Lebanon: Bulletin statistique trimestriel; Sudan: Foreign Trade and Internal Statistics, (Khartoum), July 1958; Syria: Summary of Foreign Trade (Damascus).

- a/ Excluding ships' stores and bunkers; totals include corrected value of minerals.
- b/ Including re-exports.
- c/ Figures adjusted to include trade with the Sudan.
- d/ Excluding trade between Egypt and Syria.
- e/ Including exchange certificates at declared value; years beginning 20 to 21 March of year stated. Data include exports of fishery products.
- f/ Value converted to dollars at the rate of \$1 = £1 2.80 in 1954 and \$1 = £1 1.80 thereafter.
- g/ Excluding gold.
- h/ Onions, potatoes, other vegetables and beans.
- 1/ Bananas, oranges and tangerines, other citrus fruits, apples, pears, quinces, apricots, peaches and prunes.
- Cotton yarns, plain cotton fabrics, raw cotton and wool in lump.
- k/ Including camels on the hoof exported by land routes to Egypt.
- 1/ Including fresh, dried, prepared and preserved fruits and nuts.

Table XIV. Major Imports, a/ by Country (Totals in millions of indicated currency units; details in percentage of total value)

Country and item	1954	1955	1956	1957	1957 1958 (first half)	1958 half)
Cyprus: Total imports (pounds sterling) Food Mineral fuels, lubricants, related materials. Manufactured goods Machinery and transport equipment Other	23.6 11.9 8.9 23.7	20.4 13.5 8.2 27.6 26.0	29.1 14.8 10.0 24.6 23.5	45.1 10.0 10.0 24.6 23.3	85.0 9.0 9.0 1.0 8.0	19.0 13.0 24.2 20.06
Egypt (UAR): Total imports (Egyptian pounds)	160.2 1.6 6.2 11.4 7.1 51.2	182.9 6.0 6.0 4.7 7.4 18.4	1866 4.4 20.0 4.7.7 4.7.9	188.5 11.9 4.6 1.5 7.7 15.8	87.1 6.1 7.6 3.6 46.8	117.5 b/ 13.7 1 13.4 13.4 18.5 18.2
Tran: c/ Total imports (thousands of rials) Tea	0.4.2.4.4.4.4.4.4.4.4.4.4.4.4.4.4.4.4.4.	28 02 24 20 04 20 06 24 4 20 04 20 20 20 20 20 20 20 20 20 20 20 20 20	19 10 10 10 10 10 10 10 10 10 10 10 10 10			

Country and item	1954	1955	1956	1957	1957 1958 (first half)	1958 181f)
<pre>Iraq: f/ Total imports (Iraqi dinars) Tea Sugar Cotton and other fabrics g/ Machinery h/ Automobiles, including parts Iron and steel Other</pre>	7.8 8.8 7.7 1.8 7.8 7.0 1.0 7.0 1.0 7.0 1.0	97.1 8.3 10.2 17.8 10.1 13.4	115.3 6.2 7.7 7.9 12.5 26.5	121.8 5.4 7.2 16.6 16.6 10.2	61.4 4.2 6.7 14.85 14.85 8.0 1/ 19.8	59:9 4:7 4:8 4:4 13:4 14:4 14:4
Israel: Total imports (US dollars) Manufactured consumer goods Raw materials For food industry and animal feed Investment goods Industrial equipment Transport equipment Fuels Other	297.6 17.8 14.8 21.6 6.9 10.5	23.5 15.5 15.5 16.8 6.9 6.9 6.9	367.0 1.5.6 2.5.0 2.0 2.0 3.0	431.9 14.4 145.2 145.2 17.9 12.2 10.1	212 1.24 1.25.9 1.55.0 1.20 1.20	219.7 14.1 48.2 15.1 26.7 10.9
Jordan: Total imports (Jordanian dinars) Rice, wheat and wheat flour Sugar, refined Yarn and textiles 1/. Iron, steel and manufactures thereof Road motor vehicles E/.	19.8 14.1 14.1 1.7.7 1.0.0	1.7. 1.7. 1.0. 1.0. 1.0. 1.0. 1.0. 1.0.	27.8 8.6 7.9 7.7 8.6 4.4	05 00 00 00 00 00 00 00 00 00 00 00 00 0	14.6 	13.6
Lebanon: Total imports (Lebanese pounds) 1/. Livestock	380.5 6.7 17.3 6.9	476.8 6.3 8.9 7.4	519.5 5.8 8.2 7.6	551.2 1.5 7.7 8.5	251.1 1.8 1.8 7.8 8.2	257.7 2.9 2.9 5.8

Table XIV (continued)

Country and item	1954	1955	1956	1957	1957 1958 (first half)	1958 half)
Lebanon (continued): Total_ imports (continued)	6.2 8.9 6.7 7.0 6.0 7.1	5.1 3.1 6.4 58.1	4.7.0.00 0.00.00	5.4 6.6 6.2 62.0	7.5 4.0 4.0 4.0	7. 0. 1. 0. 0. 1. 0. 1. 0. 1. 0. 1. 0. 1. 0. 1. 0. 1. 0. 1. 0. 1. 0. 1. 0. 0. 0. 1. 0. 0. 0. 1. 0. 0. 0. 1. 0. 0. 0. 1. 0. 0. 0. 1. 0. 0. 0. 0. 0. 0. 0. 0. 0. 0. 0. 0. 0.
Sudan: Total imports (Egyptian pounds) Sugar, refined t/ Coffee (raw) and tea Cotton and rayon fabrics u/ Petroleum products v/ Iron and steel w/ Soad motor vehicles k/.	48.4 11.2 16.1 16.1 5.6 7.1 7.7 7.7	48.8 6.6 15.6 17.6 76.5 76.9	45.00 17.00 17.00 17.00 10.00 10.00	62.8 9.2 14.5 14.5 1.8 1.8	27.00 17.00 17.00 1.00 1.00 1.00 1.00	\$ 0.50 c c c c c c c c c c c c c c c c c c c
Syria (UAR): Total imports (Syrian pounds) x/ Sugar, raw Woollen and cotton fabrics y/ Artificial silk thread Petroleum products z/ Iron and steel aa/ Machinery and electrical equipment bb/. Automobiles (and chassis)	281.7 1.6 1.6 1.7 1.7 1.7 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5	392.6 2.9.4 4.5.1 6.14 7.8 7.8	41014 9.99 9.09 9.14 14 14 14 14 15 16 16 16 16 16 16 16 16 16 16 16 16 16	616 644461 6666 6666 6666 6666 6666 666	278.9 4.0.4 12.6 12.6 1.3 61.8	86.4 5010 4 500 4 500 600 600 600 600 600 600 600 600 600
Turkey:	,339.4 15.6 37.4	1,393.4 18.1 36.2	1,140.5 13.6 44.6	1,112.0 12.0 31.5	528.5 13.5 33.4	523.2 9.4 32.2

Country and item	1954	1955	1956	1957	1957 (first	1958 half)
Turkey (continued); Total imports (continued) Consumption goods	17.6 27.4	14.6 31.1	11.1	12.3	11.7	12.6

Source: See source for table XIII.

- / Commodity groups classified according to the SITC.
- Excluding trade between Egypt and Syria.
- Excluding gold, gold coin and used banknotes; including Years beginning 20 March of year stated. exchange certificates. े।
- Including wires, bars, girders, beams, coated sheets, tubes and pipes, furniture and other.
- Including passenger and commercial motor-cars, transport equipment and parts. (e
- Imports by oil companies and other concessionnaires included in total but not in commodity figures.
- $\overline{\mathrm{g}}/$ Including cotton, woollen and artificial silk piece-goods.
- Including boilers, machinery and parts and electrical machinery and parts. /미
- Principal imports only, including imports by concessionnaires other than oil companies.
- Including artificial silk, woollen and cotton piece-goods, and cotton thread. Including passenger and commercial motor-cars, chassis and parts. ر5
 - Valued at the official rate of \$1 = LL 2.19; excluding gold. या ता
 - - $\overline{n}/$ Including kerosene and gasoliņe in bulk ard mazut oil.
- o/ Including bars, wires, sheets, tubes and pipes.
- Including internal combustion engines, agricultural machinery, machines for manufacturing ice, and electric motors and generators.
- (footnotes continued on following page) Including aeroplanes, automobiles and parts, and tractors. ੇ।

(Footnotes continued from previous page)

- Excluding aeroplanes.
- Excluding silver specie and token coin.
- Excluding confectionery sugar
- Including artificial silk and cotton piece-goods.
- Including motor and aviation spirit, gas oil, fuel oil and lubricating oil (including grease). दि वि कि
 - Including crude, plate, sheet, tubes, pipes, fittings and hardware. /M
- ii S Valued at the official rate (\$1 = IS 2.19) up to the end of 1956 and at the free rate (\$1thereafter; excluding gold.

5.58)

- Including fabrics of wool mixed with other textile fibres.
- Including kerosene, gasoline, diesel and other fuel oils, and lubricating oil. 12
- Including bars, sheets, tubes, pipes and galvanized sheets. aa/
- Including internal combustion engines for automobiles and tractors, agricultural machines, textile machinery, sewing machines and electrical dynamos and motors, including transformers and choking) Qq

Table XV. Indices of Quantum and Unit Value, and Terms of Trade, Selected Countries (1953 = 100)

Country and item	1954 Quantum U	1954 Quantum Unit value	1955 Quantum Unit value	nit value	1956 Quantum Vi	1956 Quantum Unit value	1957 Quantum Unit value	nit value
Cyprus: Exports a/ Imports Terms of trade	107 117	104 96 108	108 143	112 100 112	111	129 105 123	118	107 110 97
Exports	89 95	11.3 96 11.8	91	111 99 <i>S</i> 11	.86 106	121 100 121	• •	* * *
Exports	::	117 107 109	::	117 105 111	::	135 96 141	::	134 88 152
<pre>Exports Imports Terms of trade.</pre>	158	158 159 99	131 116	202 204 99	149 119	216 217 100	188 118	225 234 96
Sudan: Exports	79)116 92 126	107	106 93 114	130 95	11.7 94 124	94	112
Syria (UAR): c/ Exports a/ Imports	116	107 97 110	125 145	108 95 114	150 148	110 104 106	145 120	100 96 104
Turkey: Exports Imports Terms of trade.	95	97 104 93	71 91	111 103 108	::	:::	: :	:::
ANTITOTION ANTITOTION OF THE PROPERTY OF THE P								

(Source and footnotes on following page)

(Source and footnotes to table XV)

Source: United Nations, Monthly Bulletin of Statistics, February 1959; International Monetary Fund, International Financial Statistics, March 1959; Israel, Statistical Abstract of Israel, 1957/58; Syria, Statistical Abstract, 1956 and 1957.

- a/ National exports only.
- b/ Figures for 1954-1956 are provisional estimates of the Bank of Israel published in <u>International Financial Statistics</u>, March 1959. Indices for 1957 are official indices (1956 = 100) tied to 1956 figures.
- c/ Including gold.

Table XVI. Balance of Payments, Selected Countries (Millions of dollars)

Net error and omissions (12)	4440	۲. از رام ا	્રા <u>ણ</u> ા	វុក្សដ	1 व्यं ा ल	ଫ୍ଅ । ପ୍	10 10 6	19 4 4 19
and banking capital Short-term and monetary gold (11)	87	<i>৬</i> ১ ৭ ৫	155 148 52	200 1.00	ት ፊ성 ኢ	e 51 72 8	ቲ <i>ል</i> ሁሉ	क्षेत्र क्ष
Official a Long-term (10)	24 8 85	% 2 18	1. 1. 1. 1.	%4 %g	~0 °V ¢V	3 g g g g g	1 -1 10 1	252
Private capital (9)	20 1 50	8 4 4 4	58 21 13 21 13	8,000	• • red red • • •	H ଓ ମୃଷ୍ଠ	° 777	25 28 29 29
Total of preceding (8)	15-1-18	1. 56. 1.1. 86.	\$ 2 551	55.13 24.	4404	\$ \times \text{4.26}	\$\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	-11- -88- 56- 58- 58- 58- 58- 58- 58- 58- 58- 58- 58
Official donations (7)	21 26 10	8488	るちょる	22. 22. 34. 34.	47	1 1 1 1	ମନ୍ଦ୍ର	37.28
Private donations (6)	1101	t OI t	ក្នុងប	136 129 97	2	r7-4 r4 r4	10/ 10/ 10/ 10/	· · · · · · · · · · · · · · · · · · ·
Other services (5)	10 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	1 1 8 8 9 P P	ት ፅ ቍ ቪ	형육육학	ខ្ពង់	141 c	78 生货中	£233
Investment income (4)	\$5.50 P.	4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	.189 .181 .127	-17 -19 -27	1 1 Q	l; t l	: 1 :	9898
Transportation and insurance (5)	68 42 48	: : 1 [4 8 6 4 7 7 1	⊱8 v.‡	* * * 1	1 1 5 7 1 1 1 5 7 1	::::	. 42 -75 -71 -71
including ry gold Imports a/	-1448 -572 -628	-247 -336 -345 -453	-213 -277 -324 -361	-296 -357 -432	-5-17- -69 -8-3	-140 h/ -158 -121 -195	-203 -209 -215 -185	1421 1538 1558 1546
Merchandise, including non-monetary gold Exports Imports a/	414 399 380 479	210 339 486 613	495 519 478 360	88 89 110 139	8 10 14 15	151 147 194 194 148	168 152 155	235 213 305 251
Country and year P	Egypt (UAR): 1954	<u>Iran:</u> d/ 1954 1955 1956	Iraq: 1954	Israel: e/ 1954	Jordan: g/ 1954	Sudan: 1954 1955 1956	Syria (UAR): 1954	Turkey: 1954 1955 1956

(Source and footnotes on following page)

(Source and footnotes to table XVI)

- Source: International Monetary Fund, Balance of Payments Yearbook, vols. VII, IX and X (Washington, D.C.), and International Financial Statistics, March 1959.
- a/ C.i.f., unless otherwise stated.
- b/ Including insurance.
- c/ Including transactions with the Sudan, previously excluded.
- d/ For twelve months beginning 20 to 22 March of year stated.
- e/ Figures for 1954 obtained from Israel Government Yearbook, 1956 and not strictly comparable with the 1955 and 1956 figures.
- f/ Preliminary figures.
- g/ Figures for merchandise trade in the Balance of Payments Yearbook differ from those given in other sources, although based on the trade returns in all cases. Exports are adjusted to allow for under-valuation and freight cost outside Jordan; imports are adjusted to include UNRWA and United States Technical Assistance imports and to exclude military and diplomatic imports.
- h/ Based on exchange records, which exclude trade with Egypt. Trade returns data for trade with Egypt and estimates for live camel exports to Egypt have been added.

Table XVII. Railway Freight Traffic, Selected Countries

Item and country	1954	1955	1956	1957	1958
Net ton-kilometres (millions):					
Egypt (UAR) \underline{a}/\dots	. 1,463	1,647	1,616	1,658	
Iran	. 1,187	1,251	1,351	1,497	1,452
Iraq \underline{b} /	. 843	837	766		•••
Israel \underline{c}/\ldots	. 121	129	157	227	122 <u>d</u>
Lebanon	. 42	44	41	45	26 26
Sudan	. 1,138	1,223	1,369	1,514	1,309 e
Syria (UAR)	. 139	124	152	156	90
Turkey	. 3,792	3,973	4,439	4,908	2,417 <u>d</u>
Pons carried (thousands of tons)	:				
Egypt (UAR) a/	. 5,805	6,575	6,311	6,298	• • •
Iran	. 2,140	2,377	2,494	2,967	2,806
Iraq \underline{b} /	. 2,664	3,000	2,564	* * •	
Israel \underline{c}/\ldots	. 1,312	1,324	1,476	1,832	853 d,
Lebanon	• 555	645	700	733	422
Sudan e/	. 1,437	1,502	1,667	1,900	1,728
Syria (UAR)		997	1,114	1,193	• • •
Turkey	. 10,859	12,012	13,678	15,253	6,762 <u>a</u> ,

Source: Statistical Office of the United Nations; Egypt: Pocket Yearbook of Statistics, 1957 (Cairo, 1958); Traq: Quarterly Bulletin of Statistics.

a/ Twelve months ending 30 June.

b/ Twelve months beginning 1 April of year stated.

c/ Including revenue service traffic.

d/ Half year only.

e/ Excluding livestock.

Table XVIII. Railway Passenger Traffic, Selected Countries

Country and year	Number of passengers (thousands)	Passenger- kilometres (millions)
Egypt (UAR): a/ 1954	80,300 86,300 88,700 86,500	3,263 3,577 4,287 4,165
Iran: 1954	•••	412 473 448 860
Iraq: b/ 1954	3,405 3,733 	570 676 605
Israel: 1954	3,060 <u>b/</u> 3,400 <u>b/</u> 4,122 <u>b/</u> 4,661 <u>b</u> /	200 234 318 335
Lebanon: 1954 1955 1956 1957	93 89 104 118	8 7 5 5
Syria (UAR): 1954	•••	48 47 51 46
Turkey: 1954 1955 1956 1957	61,968 57,300 67,500 84,576	3,893 3,917 4,480 5,141

Statistical Office of the United Nations; Egypt: Department of Statistics and Census, Pocket Yearbook of Statistics, 1957; Iraq:

Statistical Abstract, 1957 (Baghdad, 1958); Israel: Statistical

Bulletin of Israel (Jerusalem), March 1958; Lebanon: Bulletin statistique trimestriel, vol. IX, No. 1; Turkey: Central Statistical Office, Monthly Bulletin of Statistics, October 1958.

a/ Twelve months ending 30 June of the year stated. State Railways only. 1954-1955 excluding suburban traffic.

b/ Twelve months beginning 1 April of year stated.

Table XIX. International Seaborne Shipping, Selected Countries (Thousands of tons)

Item and country	1954	1955	1956	1957	1958
Goods loaded:		•	***************************************		***************************************
Cyprus Egypt (UAR) a/ Iran c/ Iraq d/ Israel Lebanon e/ Sudan f/ Syria (UAR) g/a/ Turkey h/	1,245 2,720 3,505 747 615 376 438 670 2,215	1,331 2,812 14,387 561 627 405 466 248 1,974	1,399 2,419 14,177 476 717 442 598 566 2,384	1,430 2,158 20,226 356 842 493 619 719 2,031	1,434 4,967 <u>b</u> / 778 331 398 484 1,737 <u>i</u> /
Goods unloaded:	1.67				
Cyprus Egypt (UAR) a/ Iran c/. Iraq d/. Israel Lebanon e/ Sudan f/ Syria (UAR) a/ Turkey h/.	463 4,755 782 475 2,639 1,129 746 209 2,595	712 5,023 1,071 727 2,996 1,482 700 283 3,443	882 4,928 869 659 2,748 1,517 729 358 2,435	757 4,274 1,004 668 1,562 <u>j</u> / 1,525 1,097 367 3,122	702 6,934 <u>b</u> / 1,640 <u>j</u> / 1,097 898 1,020 1,685 <u>i</u> /

Source: United Nations, Statistical Yearbook, 1958 and Monthly Bulletin of Statistics, April 1959; Cyprus: Statistical Summary; Syria: Statistical Abstract, 1957 (Damascus, 1958) and Bureau des documentations syriennes et arabes, Etude mensuelle sur l'economie et le marché syriens, 25 January 1959.

- a/ Including coastal shipping.
- b/ Excluding trade with Syria, beginning January 1958.
- c/ Twelve months, beginning 21 March of year stated.
- d/ Twelve months, beginning 1 April; excluding tankers and petroleum.
- e/ Port of Beirut only; including coastal shipping; excluding livestock; excluding petroleum loaded in Sidon and Tripoli which amounted to 18.9 million tons in 1957.
- $\underline{\mathbf{f}}/$ Including transshipments; excluding livestock.
- g/ Port of Latakia only.
- \underline{h} / Excluding timber and livestock.
- i/ Nine months only.
- j/ Excluding petroleum.

Table XX. Number of Motor Vehicles in Use at End of Year, Selected Countries

(Thousands of units)

Country and item	1954	1955	1956	1957
Cyprus: Passenger cars	. 8.0 . 4.9	10.2 6.0	14.0 6.8	17.4 6.9
Egypt (UAR): a/ Passenger cars	. 71.0 . 20.5	73.2 21.7	•••	•••
Iran: a/ Passenger cars		28.6 24.1	•••	39.5 25.8
Traq: Passenger cars		20.6 12.4	23.8 14.0	25.9 14.4
Israel: Passenger cars		17.7 17.6	19.4 19.1	•••
Lebanon: Passenger cars		22.6 5.3	26.6 6.0	30.2 6.6
Syria (UAR): Passenger cars		10.5 12.6	12.3 13.6	• • •
Turkey: Passenger cars		30.0 41.3	33.4 42.0	•••

Source: United Nations, Statistical Yearbook, 1958.

a/ Excluding government vehicles.

Table XXI. Civil Aviation Revenue Traffic, by Country (Thousands)

ļ	1										
Total	22,846 51,651 57,285 41,795	83	326,887 550,256 653,745 777,442	138	61	8,796 12,965 17,610 19,756	125	12	1,057	102	12
Turkey	2,986 4,293 5,367 7,028	155	46,444 67,967 83,485 128,910	178	54	833 1,217 1,199 859	ĸ	-28	79 97 97 114	11	18
Syria g/	185 1,550 1,400 1,200	549 -14	2,370 15,735 16,240 18,800	1482	-15	35 130 135 120	243	디	10 45 55 55	250	55-
Sudan c	1,153 1,650 1,705 1,770	75	6,093 21,000 21,915 22,770	1/LZ	.at	112 400 410 470	284	5	58 8 g	00t	9
Saudi Arabia c/	1,775 1,800 2,100 2,850	61. 36	17,770 55,000 65,000 95,000	435	9	295 1,000 1,400 2,000	578	<u>(</u>	20 100 125	525	25
Lebanon	2,726 4,514 6,119 8,956	228	34,461 73,351 114,540 173,762	†O†	22	970 2,663 5,418 7,423	665	37	55 542 543	710	88
Kuwait c/	750 1,600 2,400	; 50	16,000 30,000 49,500	,	65	, 00.00 O.00	t	ဆ	35 50 50	t	נו
Jordan c/	925 1,190 1,310 1,005	ଦ ସ୍ୱ	2,770 14,255 15,680 15,770	469	r-t	85 175 190 185	318	Υ	88733	100	ı
Israel b/	5,708 4,237 4,363 4,774	6, 6,	104,051 141,404 141,676 164,219	95 }	97	3,094 5,035 5,862 5,291	9	-4	518 508 580 699	35	ส
Iraq	1,024 1,580 1,781 2,382	155	10,952 20,923 75,117 52,207	578	ž	216 228 384 589	173	55	17 21 55 81	376	ن†
Iran a/	1,156 3,440 4,635 2/ 2,678	132	15,889 50,925 54,075 <u>c/</u> 56,724	164	O	189 605 1,260 <u>c/</u> 866 <u>c/</u>	358	-31	16 16 79 6/	394	13
Egypt	4,001 3,213 3,274 3,270	-18	51,566 47,527 56,319 62,127	8 8	OT	1,711 1,165 1,125 1,047	5.	L-	8885	옸	7
Cyprus	1,749 2,104 1,396 1,298	-26	21,286 29,320 19,819 26,937	23	£	387 560 550 543	1	7	92 281 349 323	251	2
Aden	1,467 1,750 2,256 2,184	64 2	15,255 16,849 21,879 21,216	59	ŗ	. 869 1,287 1,679	102	. #	132 145 170 97	-27	-43
Traffic	Kilometres flown: 1952 1955 1956	refrencese change, 1957 over 1952 Fercentage change, 1957 over 1956	Passenger kilometres: 1952 1955 1956 1957 1957	rercentage change, 1957 over 1952 Percentage change,	1957 over 1950	Cargo (ton/kilometres) 1952 1955 1956 1956 Percentage change	1957 over 1952 Percentage change.	1957 over 1956	Mail (ton/kilometres): 1952	1957 over 1952	1957 over 1956

Source: International Civil Aviation Organization.

^{1955-1956:} including non-scheduled traffic; provisional data.

^{1952:} including non-scheduled traffic. Bata wholly or partly estimated.

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Table XXII. Suez Canal Traffic, Selected Years

	Number o	f transits		Goods carried (millions of tons)					
Year	All	Oil a/	And the second s		Northbo				
	ships	tankers_/	Total	Southbound	All cargoes	Oil			
1870	486 3,441 5,085 2,353 4,009	• • • • • • • • • • • • • • • • • • • •	0.3 b/ 7.8 b/ 25.8 6.8 17.0	3.8 b/ 11.3 1.3 6.3	4.0 <u>b</u> / 14.5 5.4 10.7	0.3			
1930	5,761 6,171 1,646 5,972 8,686	1,100 2,400 4,600	28.5 28.8 30.6 49.4	9.4 7.8 7.8 9.7	19.1 21.0 22.8 39.7	4.1 5.2 13.8 28.9			
1949	10,420 11,751 11,694 12,168 12,731	5,500 6,600 5,900 6,200 6,500	61.0 72.6 76.8 83.4 90.4	13.0 12.1 17.4 22.0 22.5	48.0 60.5 59.3 61.4 67.9	37.0 47.5 42.9 45.9 49.4			
1954	13,215 14,666 13,291 10,958 17,842	6,900 8,000 5,849 9,588	96.9 107.5 99.6 81.3 139.3	22.4 20.1 18.1 14.1 24.9	74.5 87.4 82.9 67.2 114.4	57.0 66.9 54.1 94.3			

Bureau of Economic Affairs; Compagnie universelle du Canal maritime de Suez, <u>Le Canal de Suez</u> (documents statistiques) (Paris, 1950), <u>The Suez Canal (Paris, 1956)</u>, <u>Rapport</u> (Paris, 1955), <u>Bulletin and Supplements (Paris)</u>; Egypt: Suez Canal Authority, <u>Monthly Bulletin</u>.

a/ Approximate figures to the nearest hundred up to 1955.

b/ Estimate based on taxable tonnage.

c/ No traffic passed through the Suez Canal from November 1956 to 9 April 1957.

Table XXIII. Iran: Development Expenditure 2/ (Millions of rials)

Item		1954/55	1955/56	1956/57	1957/58 <u>b</u> /	1958/59 <u>ъ</u> /
Total revenue $\underline{c}/$	•	1,778	4,320	5,674	8,660	8,460
Total expenditure		1,850	4,410	8,002	13,124	14,472
Agriculture and irrigation Industry and mining		157 371	723 718	1,633 1,379	3,253 1,785	2,840 1,536
Transport and communications	•	448	1,454	3,300	5,510	5,697
Social	*	67	683	1,301	2,356	1,989
Khusistan Development .		-	***	-	940	1,735
Administration and other	•	807	832	390	220	675

Source: Bank Melli Iran, Bulletin (Tehran), June 1958.

a/ Actual revenue and expenditure of the Plan Organization; year ending 20 March.

b/ Estimated.

c/ Excluding borrowings from Bank Melli Iran, and, since 1956/57, from the International Bank for Reconstruction and Development.

Table XXIV. Iraq: Development Expenditure a/
(Millions of dinars)

Item	1951/52	1952/53	1953/54	1954/55	1955/56	1956/57	1957/58 <u>b</u> /
Total revenue	7.5	24.0	35.3	40.7	60.8	51.0	36.0
Total expenditure .	3.1	12.8	12.3	20.9	34.0	45.0	47.3
Irrigation and reclamation	1.6	3. 5	7.1	11.5	13.6	•••	10.0
Roads and bridges	0.6	1.8	1.9	4.3	9.3		9.0
Building construction Industries	0.9	2.3	2.5 0.5	2.7 2.0	5.5 2.9		19.2 7.5
Administration and other	0.1	5.2 <u>e</u> ,	,	0.3	2.7 <u>d</u> /	· · · · · · · · · · · · · · · · · · ·	1.8

Source: Annual Report of the Central Bank of Iraq, 1957: Development Board, Annual Accounts Report, 1955 (Baghdad, 1957) (in Arabic).

a/ Actual revenue and expenditure of the Development Board, fiscal years ending 31 March.

b/ Provisional, based on unpublished data.

c/ Including ID 5 million transferred to the ordinary budget.

Including ID 2.3 million in repayment of the Tharthar Loan to the International Bank for Reconstruction and Development.

Table XXV. Israel: Development Expenditure 4/(Millions of Israeli pounds)

Item	1953	1954	1955	1956 <u>b</u> /	1957 <u>b</u> /	1958 <u>e</u> /
Total government expenditure	264.6	356.2	511.8	662.6	688.6	856.7
Total development expenditures:	100.7	164.1	210.4	275.4	238.7	277.4
Housing	15.7	19.1	27.5	37.0	25.7	69.3
Public buildings	6.1	11.1	7.3	9.2	5.1	5.9
Public works	8.2	9.3	6.1	6.9	5.3	5.0
Loans: industry, local authorities, public companies	21.7	18.3	21.7	<i>3</i> 3.7	43.5	36 . 0
Loans to agriculture .	34.7	55.2	75.8	87.9	75.5	95.4
Communications	11.6	14.8	24.7	33.1	36.1	29.9
Other	2.7	36.3	47.3	67.6	47.5	35•9

Source: United Nations, Statistical Yearbook, 1957, (sales number: 1957.XVII.1), section on "Public Finance".

a/ Development budget expenditure, years ending 31 March.

b/ Provisional data.

c/ Estimated.

Table XXVI. Syria (UAR): Development Expenditure a/
(Millions of Syrian pounds)

Item	Total appropri- ations	Disburse- ments to end of 1956	Disbursements 1957-June 1958	Total disburse- ments to end of June 1958
Irrigation projects	189.2	14.1	21.2	35 . 3
Roads, ports and airports	154.6	20.5	30.9	51.4
Railways \underline{b}/\dots	27.5	8.5	1.3	9.8
Electricity \underline{c}/\ldots	24.5	19.6	2.3	21.9
Oil refinery and tanks	82.0	-	12.8	12.8
Agricultural Bank	20.0	20.0	-	20.0
Defence	71.0	50.6	13.8	64.4
Administration and other $\underline{\mathtt{d}}/$.	117.7	2.8	2.5	5•3
Total	686.5	136.1	84.8	220.9

Source: Statistical Abstract of Syria, 1956 (Damascus, 1957); Speech of the Minister of the Treasury, 1957/58 (Damascus, 1958) (in Arabic).

- b/ Purchase of DHP Railways, deficit of Hijaz Railways and allocation for re-extension of the Hijaz Railways.
- $\underline{c}/$ Including compensation paid to nationalized companies, as well as expansion of capacity.
- d/ Including allocations for administration, municipal and water projects, automatic telephone system, industrial and mortgage banks, resettlement of Bedouins, buildings, potash plant, cadastral survey, and expenditure on the last three groups.

a/ Extraordinary budget, 1955-1961, as revised and before incorporation in the Ten-Year Plan; excluding expenditures on development projects that appear in the ordinary, related or municipal budgets and including disbursements to, or participation in the budgets of autonomous public bodies, whether in the form of direct expenditure by ministries or in the form of loans.

Table XXVII. Turkey: Development Expenditure 4/
(Millions of Turkish liras)

Item	1950	1953	1954	1955	1956	1957 <u>b</u> /	1958 <u>b</u> /
Industry, mining and electric power	. 65.0	62.6	66.7	65.8	56.7	72.5	83.4
Agriculture	95.6	164.7	174.6	271.2	350.5	531.7	592.4
Transportation and communications	. 120.5	260.8	271.2	416.6	482.5	577.5	707.9
Public works	47.6	80.0	101.4	108.9	103.4	136.8	155.2
Total	l 328.7	568.1	613.9	862.5	993.1	1,318.5	1,538.9

Source: United Nations Bureau of Economic Affairs; Ministry of Finance,
Memorandum on Budget Bill for Fiscal Year 1955, No. 1955-56:63
(Ankara), and Budget Speech, 20 February 1959. Figures include
current and investment expenditures. They exclude expenditures
on State enterprises and budgets of the provinces and municipalities.
Investment expenditures on State enterprises alone constituted
35 to 40 per cent of total public investment expenditures in 1950
to 1955.

a/ General and annexed budgets.

 $[\]underline{b}$ / Budget estimates.

Table XXVIII. Bank Credit Outstanding $\frac{a}{}$ and its Distribution between the Public and Private Sectors, Selected Countries

(Millions of national currency units)

Country, currency and item	1954	1955	1956	1957	1958
Egypt (UAR) (Egyptian pound): Claims on Government Claims on private sector	56.0	97 . 6	167.1	201.3	217.0
	161.0	170 . 5	195.3	221.8	247.8
$\frac{\text{Iran (rial):}}{\text{Claims on Government }\underline{b}/}$ Claims on private sector	17,060.0 8,060.0	17,320.0 9,710.0		21,680.0 13,980.0	24,790.0 c/ 19,780.0 <u>d</u> /
<pre>Iraq (iraqi dinar): Claims on Government Claims on private sector</pre>	11.9	16.9	22.7	29.2	29.4 <u>e</u> /
	24.8	31.1	32.8	38.8	38.0
Israel (Israeli pound): Claims on Government Claims on private sector	168.6	238.4	382.6	426.1	436.6
	333.3	386.9	455.3	545.0	688.8
Jordan (Jordanian dinar): Claims on Government b/ Claims on private sector	0.5 4.9	0.6 6.5	0.7 7.5	0.7	0.8 10.2
Lebanon f/(Lebanese pound): Claims on Government) Claims on private sector)	425.0	508.0	633.0	684.0	812.0 g/
Syria (UAR) (Syrian pound): Claims on Government b/ Claims on private sector	274.0	272.0	317.0	334.0	342.0 <u>e</u> /
	421.0	431.0	452.0	493.0	496.0 <u>e</u> /
Turkey (Turkish lira): Claims on Government b/ Claims on private sector	2,061.0	2,732.0	3,224.0	3,728.0	4,484.0 <u>g</u> /
	5,239.0	6,172.0	7,254.0	8,953.0	9,712.0 <u>g</u> /

Source: International Monetary Fund, <u>International Financial Statistics</u>, vol. XII, No. 4, April 1959.

- c/ 20 November.
- d/ 20 September.
- e/ End of November.

Data refer to end of the year except as noted. Figures include loans made by the central banks, by commercial banks, and, in the case of Turkey, by related institutions.

b/ Including claims on official entities.

<u>f/</u> Data refer to advances and discounts by the commercial banks and claims on the Lebanese Government held by the Issue Department of the Bank of Syria and Lebanon.

g/ End of June.

Table XXIX, Bank Credit Outstanding at Year End for Selected Economic Activities in Certain Countries

(Millions of national currency units)

Country, currency and year	Agriculture	Industry	Trade	Other	Total
Egypt (UAR) (Egyptian pound) 1954	12.2 b/	6.7 c/	141.3		160.2 d/
	14.7 b/	9.1 c/	139.4		163.2 d/
	14.8 b/	10.3 c/	161.6		186.7 d/
	13.4 b/	14.7 c/	174.4		202.5 d/
Israel e/ (Israeli pound) 1954	95.4	64.4	38.8	122.2	323.8
	129.7	81.4	38.6	137.1	386.8
	156.9	110.1	36.7	146.0	449.7
	180.0	139.5	45.4	168.0	532.9
Syria (UAR) (Syrian pound) 1954	65.0 <u>f</u> /	54.8	291.4	19.1	430.3
	93.2 <u>f</u> /	55.2	282.5	31.3	462.2
	93.1 <u>f</u> /	59.9	302.9	31.4	487.3
	122.1 <u>f</u> /	67.3	318.2	26.0	533.5
	75.0 <u>g</u> /	62.0	279.0	24.0	440.0 <u>g</u> /
Turkey (Turkish lira) 1954 1955 1956 1957 1958 (June)	1,500	147	2,900	338	4,886
	1,559	145	3,663	439	5,805
	1,892	162	4,488	470	7,013
	2,111	180	5,706	536	8,533
	2,160	198	6,341	527	9,225

Source: Egypt: National Bank of Egypt, Economic Bulletin, vol. IX, No. 2, vol. X, No. 2, and vol. XI, No. 2; Israel: Statistical Abstract of Israel, 1956/57, 1957/58; Syria: Statistical Abstract of Syria 1956 and 1957, and data from the Central Bank of Syria; Turkey: Monthly Bulletin of Statistics, September 1958.

- a/ Excluding the central banks.
- $\underline{b}/$ Data refer to the Agricultural and Co-operative Credit Bank only.
- c/ Data refer to loans and participations of the Industrial Bank of Egypt and participations of the Misr Bank in the Misr Companies.
- d/ Including domestic investments of commercial banks.
- e/ Including credit co-operative societies.
- f/ Including outstanding loans of the Agricultural Bank of Syria of IS32.6, 53.3, 55 and 63.2 million for the years 1954 to 1957, respectively.
- g/ Excluding outstanding loans of the Agricultural Bank of Syria.

Table XXX. Indices of Cost of Living and Wholesale Prices, \underline{a} / by Country (1953 \underline{a} 100)

Country and item	1954	1955	1955	1957	1958
Cyprus (Nicosia): Cost of living, all items	104	110	119	127	133
	101	107	118	124	129
Egypt (UAR) (Cairo): Cost of living, all items	96	96	98	102	102
	101	103	104	109	110
	97	99	110	119	118
<pre>Iran (Tehran): Cost of living, all items</pre>	118	122	130	139	140
	114	114	121	126	120
	118	115	123	123	119
<pre>Iraq (Baghdad): Cost of living, all items</pre>	98	101	107	113	109
	98	102	110	116	112
	96	97	104	108	96
Israel (Haifa, Jerusalem, Tel Aviv): Cost of living, all items	112	119	127	135	139
	113	117	126	132	136 <u>b</u> /
	118	124	131	150	153
Jordan (Amman): Cost of living, all items	103 102 104	104 103 93	101 103 93	107 110 92	•••
Lebanon (Beirut): Cost of living, all items	95	97	102	109	114 <u>c/</u>
	93	96	105	114	118 <u>c/</u>
	92	93	98	100	101 <u>c</u> /
Sudan (Khartoum): Cost of living, all items	108	110	106	107	116 b/
	108	111	106	108	121 b/
	108	105	111	118	105 d/
Syria (UAR) (Damascus): Cost of living, food	92	91	104 <u>b</u> /	114	109
	96	97	102	98	96
Turkey (Istanbul): Cost of living, all items	110	119	136	152	169 <u>b/</u>
	109	114	131	147	159 <u>b/</u>
	111	119	139	164	185 <u>b</u> /

Source: United Nations, Monthly Bulletin of Statistics, April 1959; Jordan: Annual Statistical Yearbook, 1957.

a/ Annual averages, except as stated.

b/ Average for eleven months.

c/ Average of January - April and October - December.

d/ Average of nine months.