trade had also changed, though mostly on the import side. The U.S. share of the Congo's imports rose from 14.7 percent in 1958 to 31.2 percent in 1963, but the increase was due to AID and Public Law 480 (agricultural surplus) programs.

A majority monetary reform was introduced in November 1963, with the Congolese franc devalued from a rate of 65 to the dollar to a new split rate of 150 to 180. The devaluation had done much to encourage exports and the production of domestic food crops, while the Government's exchange tax derived from the split rate has sharply reduced the budget deficit. After an initial rise, due to the increase in the cost of imports, living costs stabilized during the second quarter of 1964.

The rebellion against the Central Government, which erupted in the spring of 1964 and was accentuated during the summer after the departure of the last U.N. troops, has cut seriously into production, but in view of the improvement already experienced during the first half of the year, total exports for 1964 are expected to be slightly higher than 1963 and only some 10 percent below expectations at the beginning of the year.

U.S. aid given directly to the Congo, or to the United Nations for its technical assistance and peacekeeping activities in the Congo, has totaled over $400 million through the end of fiscal year 1964. The objective of this program has been to help the Congo maintain its independence and territorial integrity while achieving economic stability and an improved administration. Given a degree of tranquillity and continued assistance while training its own cadres of qualified experts, the Congo has bright prospects of being one of the most prosperous countries in Africa.

U.S. policy

The policy of the United States toward the Congo is to promote political unity and stability, and encourage the development of a democratic government sympathetic to the West. The realization of these objectives will also result in the restoration and continued development of the Congo's vast economic resources.