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DEPARTMENT OF STATE ASSISTANT SECRETARY

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CONFIDENTIAL

INTERNATIONAL RESPONS. TO INDIAN APPEAL

WJH

(as reported by February 17, 1966)

Country	Assistance	Value (\$'000's)
Argentina	Considering authorization of 55 million pesos (\$304,700) for purchase of Argentine wheat (possibly 5000 tons) and other foods.	305
<u>Australia</u>	The GOA is offering an emergency grant of \$8.96 million to cover 100,000 tons of wheat, other foodstuffs, pesticides and handling and storage equipment.	8,960
Austria	The government has offered a \$1 million grant to be used for dry milk, fertilizer and pesticides; it could also be used to pay for shipping these commodities.	1,000
Belgium	Reaction unknown.	
Canada	Has announced a \$15 million grant for use by March 31 (end of current fiscal year). Will finance 126,000 tons of wheat, 10,000 tons of rapeseed, 4,000 tons of dried peas, and 3,700 pounds of dry milk. Has offered whole wheat flour (35,000 tons) and more dry milk for the balance of about \$3 million. In addition, it has offered to allow India to use a substantial sum, from the remaining unallocated portion of its regular aid pledge, for the purchase of porthandling equipment.	15,000
Denmark	The government has offered a long-term interest-free credit of \$3.6 to \$4.3 million for the purchase of dry milk, insecticides and other commodities.	3,623 to 4,346
France	Has offered a $\$3.36$ million grant for dry milk (4000 MT), condensed milk, vitamins and pesticides.	3,360

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GROUP 3

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DECLASSIFIED
E.O. 13292, Sec. 3.4
State Dept. Guidelines
By p. NARA, Date 4-2904

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Country	Assistance	Value (\$'000's)
FRG	Has extended a \$3 million long-term credit for fertilizer and a \$125,000 grant for dry milk. Also will help finance three agricultural projects.	3,125
Greece	Has made a grant of 5,000 tons of wheat and 1,000 tons of raisins. Considering long-term credit.	420
Iran	Agreed to divert, on replacement basis, vessel carrying 26,000 tons of US whea	t.
<u>Italy</u>	Has decided in principle to extend \$2 million long-term loan for goods and services. Considerable private subscription drive has reportedly collected \$500,000.	2,000
Japan	Seeking additional information on Indian need. Has been considering a possible credit for fertilizer.	
Netherlands	The government has offered two grants totalling 3.3 million guilders (\$1,028,000) for the purchase of foodstuffs. It is also allocating one million guilders (\$278,000) for an agricultural project in India.	1,306
New Zealand	Has offered 1000 tons of milk powder worth NZ L 105,000 (\$294,000).	294
Norway	Has decided to make a \$350,000 cash contribution.	350
Sweden	The government has offered a grant of Kroner 7 million (\$1.4 million) for the purchase of 4,000 M tons of non-fat dry milk plus shipping. First shipment to arrive in early February. Has also offered a long-term low-interest loan of \$2.4 million for an agricultural project.	3 ,80 0
Switzerland	Has offered a grant of \$500,000 for purchase of grain handling equipment.	500
Thailand	RTG is willing sell 150,000 MT of rice on commercial terms.	

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-3-

Country	Assistance	Value (\$'000's)
United Kingdom	The U.K. has offered as interim assistance—a "first immediate contribution"—a 25-year interest—free loan of £7.5 million (\$21 million), including a reallocation of £6 million against the current Consortium pledge which was previously earmarked for a lagging steel project. Of the £7 million, £1 million is to be used to defray the cost of shipping wheat to India from Commonwealth countries; £1 million for porthandling equipment; £1.5 million for fertilizers, pesticides and dried eggs; and the balance for essential industrial imports from the U.K. A British bulk grain handling expert from the Port of London Authority joined the USG (Eskildsen) team which toured India.	21,000
USSR	GOI reports USSR considering supply of 150,000 tons ammonium phosphate (roughly \$5.25 million).	
Vatican	Personal contribution of \$100,000 by the Pope.	100
Yugoslavia	Has agreed to divert, on replacement basis, 40,000 tons of PL 480 wheat to India. Also has offered two ships (20,000 tons together) for charter for one or two voyages each at normal market rates to carry food to India.	
	SUBTOTAL	65,866
World Food Program/FAO	The FAO is supplying 7,300 tons ($\$2.7$ million) of dried milk provided by the United States.	5,832
	About 54,000 tons (\$3,132,000) of US wheat is being supplied by the WFP from the balance of the U.S. pledge.	
	TOTAL	71,698

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DEPARTMENT OF STATE

WASHINGTON

February 14, 1966 FFICE

SECRET/EXDIS

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On February 9 the Indian Ambassador delivered a letter to the President from Prime Minister Gandhi. The letter thanked the President for our assistance on the food front and requested non-project economic aid. A suggested response is enclosed.

MEMORANDUM FOR MR. McGEORGE BUNDY THE WHITE HOUSE

Subject: Suggested Response to Prime Minister

Gandhi's Letter to the President

Benjamin H. Read Executive Secretary

Enclosures:

- 1. Letter to the President from Prime Minister Gandhi.
- 2. Suggested response to Prime Minister Gandhi's letter.

SECRET/EXDIS GROUP 3

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> DECLASSIFIED E.O. 13292, Sec. 3.4 State Dept. Guidelines __, NARA, Date 4-29-01

New Delhi, February 9, 1966.

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Doar Mr President:

Ambassador B.K. Nehru has reported to me the talk he had with you on the 2nd February. I am grateful to you for receiving him immediately after his return to Washington and for the patient and sympathetic hearing you gave him. Even more, I thank you for your immediate response in making available another three million tons of foodgrains under your P.L.480 programme. This sets at rest our immediate anxieties on the food front. We are intensifying our efforts to make other countries join more meaningfully in the international effort which you have initiated to help us.

There is one matter which is still causing me concern. It is so urgent that I feel I must write about it straightaway as it cannot wait until I am in a position to visit you in Washington which would be some time in the later half of March.

Following the unfortunate conflict with Pakistan, there had been a pause in the flow of U.S. aid to India. You have been good enough to release some of this aid recently to help us to meet our fertiliser needs. The cause of our present deep anxiety is that the suspension of non-project aid has left most of our industries desperately short of essential raw materials, components and spare parts for which they have been relying on U.S. sources of supply. Production and employment in many units have already been affected. In another few weeks, we apprehend large scale unemployment and closure of factories all over the country. I

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TEGLASSTERD

Authority FRUS 64-68, M. 25, - a.

By Je NARA, Date 4-2304

myandhi 219166 do hope, Mr. President, that this matter will receive your attention in the immediate future as to keep it pending till I am able to come to Washington would only prolong the period for which men and machinery will be kept idlo.

With warm regards.

Yours sincerely,

(Signed) Indira Gandhi

His Excellency
Lyndon Baines Johnson,
The President,
The White House,
Washington D.C.



EXDIS

Dear Madam Prime Minister:

I want to thank you for your warm and friendly letter of February 9 which your Ambassador was good enough to deliver to me shortly after my return from Honolulu. I am pleased indeed to know that our actions on the food front in support of your international efforts have helped to ease your immediate anxieties. With regard to future contributions, I am sure you are aware of the importance we attach to the success of these international efforts.

As you know, Vice President Humphrey will be with you in a day or so. With regard to the other matters you mentioned in your letter, I have asked him to take up with you certain interim reciprocal steps which we feel able to take at this juncture.

I am pleased to learn that you will be in a position to visit Washington sometime in the latter half of March and Mrs. Johnson and I look forward to seeing you then.

With warm, personal regards,

Sincerely,

Lyndon B. Johnson

DECLASSIFIED
E.O. 13292, Sec. 3.4
NSC Memo, 1/30/95, State Guidelines
By K. NARA, Date 4.49 M

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THE FOREIGN SERVICE
OF THE

UNITED STATES OF AMERICA

New Delhi, India, February 14, 1966.

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Dear Bob:

I think you will find the enclosed memorandum well worth reading. It was written by Ed Lindblom, the remarkable Yale economist whom I brought with me to India two and a half years ago. Although he returned to Yale last summer, he paid us a visit this January at John Lewis's request.

Although the current situation is worriesome both from the point of view of food shortages and also dwindling employment it can be changed sharply if the Indians do what is required (and I think they will) and if we come through with the necessary inputs.

I would give a great deal if you could come out here for a week or two and judge the situation for yourself.

With warmest regards,

Sincerely

Chester Bowles

Mr. Robert Komer, The White House.

Lindblom January, 1966

Character of the New Indian Agricultural Program and its Implications for U.S. Policy

Consider three ways to boost agricultural output. One is to attempt a fundamental social reconstruction, deeply affecting village life and Indian personality, hence aspirations. A second is to teach and persuade farmers — on the supposition that they lack information about how to increase farm output and need encouragement to try new methods. The third is to make innovation in farming profitable.

The new Indian agricultural policy is not merely a big shift in priorities — though it is indeed that; policy is also reoriented from one of these three ways to another.

The old policy. -- What vigor the old policy has was largely in the second of these three ways, with subsidiary attention to the first but with hardly any to the third. That India attempted to increase farm output through deploying tens of thousands of village workers is evidence of the belief that teaching and persuasion was the way to growth. So also was the long-standing unusually low-level of fertilizer application, the timid program of fertilizer production and importation, the diversion of irrigation to drought relief rather than to increased output -- all as though these inputs could be largely dispensed with if only the cultivator would learn and try better methods. The Ford package program might even be cited as evidence of the commitment to education and persuasion, for although the GOI formally

committed itself to a package of inputs for these districts, the package was not typically delivered; and the program came to consist in very large part of teaching and persuasion plus only fertilizer.

The Community Development program, embracing many attempts through education, sanitation, road building and other community activities to shake up rural India, is evidence of India's secondary commitment to fundamental social reconstruction as a device for, among other objectives, increasing agricultural production.

High fertilizer prices (to protect high cost domestic plants), low output prices (to protect town and city dwellers against the high cost of living), a near monopoly on the distribution of fertilizer and credit (to encourage the development of cooperatives), and occasional compulsory procurement of foodgrains from farmers are all pieces of evidence, to which many more pieces can be added, that the profitability of farming, to say nothing of the profitability of innovation in farming, was either taken for granted or not taken seriously as a force for growth.

It is easy to see why government policy failed to achieve targetted growth in farm output. Instruction and persussion are certain to be relatively ineffective if innovation is unprofitable, all the more so if, as has in fact been the case, the instructors and persuaders are of limited experience in actual field work. Fundamental social transformation may be a long-term prerequisite to the full realization of India's productive capacity in agriculture; but the achievement requires generations, not decades or years, and also

requires competences in the planning of social change that no nation has yet displayed.

The new policy. -- The great news from India is that the GOI, although not fully realizing what it is doing, has finally decided to take the third road to productivity -- it proposes to make innovation profitable. Many foreign and Indian experts have long urged the change. It was foreshadowed in the 1964 GOI commitment to high minimum support prices for output and in a cautious lowering of fertilizer prices at about the same time; but the new policy has come to fullest flower in the reorientation of agricultural policy announced by the Cabinet at the end of 1965. Profitability means monetary incentives plus high-return inputs that are actually available.

The new program by no means washes away the old programs of instruction and persuasion; but it faces up to the futility of instruction and persuasion in unprofitable innovation, hence proposes to supplement earlier extension programs with price incentives, increased importation and production of profitable inputs, especially fertilizer and new seeds, and improvements in credit and marketing arrangements so that the new inputs can be made available when wanted on attractive terms.

A final and newest element in the new program now much discussed is a concentration of the new inputs -- seeds, fertilizer, insecticides -- in selected areas of high potential for growth and a similar concentration of administrative reforms and services for the distribution of inputs and for extension.

The new program for making innovation in farm practice profitable consists, therefore, of four policies:

- Monetary incentives through appropriate input and output prices.
- 2. The supply of profitable inputs.
- 3. Instruction in their use.
- 4. Concentration of inputs and instruction in selected areas.

The relative weight of the four policies: -- It is inconceivable that a program for increased production could succeed without the first two of these four policies but quite possible that it could succeed without new efforts for the third and fourth. For there is no output without input. And no input will be employed unless it is profitable. But if demand for fertilizer and new seeds is running well ahead of supplies, as is the case, it must also be the case that cultivators are somehow learning how to use them despite the inadequacies of the present extension system.

To be sure, modern agricultural technology requires better educated cultivators; hence in principle extension work rises in importance as the new modern inputs become more available and call for new methods of cultivation. But cultivators learn in many ways, especially through trained salesmen of seed, fertilizers and other farm supplies. In any case, for an indefinite period ahead such limited instruction as the present extension services now provide, together with informal communication among cultivators, may be quite sufficient to employ all available inputs of seed, fertilizer, and pesticides.

As for the concentration policy, it is in principle doubly valuable: on the one hand, it would put inputs into acreages of highest potential gain and, on the other hand, would take advantage of interdependencies among inputs for supplementary gains in output that cannot be had unless fertilizer, new seed and pesticides are all applied together. Market demand, of course, will accomplish a great deal of concentration, even in the absence of any administrative program. Farmers in Andhra Pradesh who have the new paddy seed are offering up to triple the established price for fertilizer. Anyone using the new paddy or wheat seeds is probably determined to get the necessary fertilizer and other supporting inputs: and the profitability of employing them together drives him to outbid other cultivators who do not have the new seed. As for the seed itself, it will obviously be sought more easerly by cultivators whose land promises the greatest response from its use. It is therefore possible that administrative arrangements designed to achieve concentration of inputs will, even if successful, add only marginally to the concentration that would in any case be achieved through market forces and, if poorly managed, will constipate the input supply lines.

Constipation has, for example, long been the case in the supply of rural credit and fertilizer under the old agricultural program. At this stage state administrations are still not programmed or staffed for the concentration program; and both on welfare and political grounds important elements in state

governments resist concentration even in principle. For these reasons, it may turn out that the concentration program, however attractive abstractly, will be the least important and the least feasible of the four policies that make up the new program.

Implications for U.S. Policy

- Incentives and inputs. -- Current excitement over the
 concentration program should not obscure the higher priority that
 ought to be given to technical assistance for incentives and
 input supplies.
- a. For the moment, output prices are well above possible support prices, but the day will come when India's new and untried price support program will be put to the test. Neither the Food Corporation nor the other GOI agencies are yet prepared to operate a procurement and price-support program, and current high prices give the GOI an extraordinary opportunity to achieve a state of readiness. Because the price support program is tied in with a buffer stock program to cope with future short-term food shortages, it is all the more important for the U.S. to maintain assistance to the GOI in bringing its price stabilization program into a state of readiness.

- b. Moreover, serious imperfections in Indian agricultural markets need to be remedied in order to make market incentives work better. U.S. technical assistance could be helpful in studying the operation of markets and in improving them in various ways ranging from extending current development of regulated town markets to more elaborate improvements in regional and national market organization.
- c. Although fertilizer pricing is moving in the right direction and does not urgently call for any U.S. technical assistance, the pricing of irrigation water needs a thorough overhauling, toward which U.S. technical assistance could contribute.
- d. For the U.S., perhaps the very highest priority should be attached to programs that facilitate the production, importation, and efficient retailing of inputs. This requires, of course, technical assistance for the manufacture and distribution of seeds, fertilizer and insecticides. Unless India is foresighted, however, it will soon be overwhelmed by the need for inexpensive farm implements adapted to Indian conditions and for power tillers and tractors. The economics of power tillage has hardly been looked into in India, although the Ford Foundation may be on the point of doing so. It is an issue -- and its study will lead to a program -- on which the U.S. could be helpful.
- e. The one major input on which Indian policy has only begun to move -- even if there are impressive new agreements at the level of principle -- is water for irrigation. The principles (a) that

irrigation engineering has to be subordinated to the needs of agriculture and (b) that drought relief irrigation has to be abandoned in favor of more sophisticated systems of irrigation for sustained high yield need implementation with skills and energies far beyond any so far mobilized in India. It is in the implementation of these new principles that the newest, biggest and most imaginative programs of technical assistance to agriculture have to be designed. Scattered demonstrations of American virtuosity in water management are not enough. What appears to be required is one or two conspicuously large and complex water management projects, large enough to be visible to practitioners of water management all over India and complex enough to raise in their execution all those political, administrative, and engineering problems whose solutions are prerequisite to a fundamental reconstruction of water management practices in India.

 Concentration: -- The U.S. should support the concentration of India's best efforts on extension and administrative services in selected areas.

The U.S. should, however, shy away from technical assistance that is docmed to futility because of the strength of political objection, on the ground of inequity, to the whole idea of concentration. There is no point in wasting technical personnel in states in which political leadership does not dare to concentrate inputs and administrative services in favored areas. This principle means that the relationship between profitable technical assistance in the

concentration program and the availability of inputs will turn out to be a close one. Very tight supplies will make concentration politically impossible. Very liberal supplies will make it unnecessary. The concentration program makes sense only between these extremes.

Nor ought technical assistance promote concentration programs that lose more in undercutting market concentration than they gain in administrative concentration or that otherwise seriously conflict with the general movement toward a greater market freedom in the economy. India and the U.S. will face some difficult choices on this point. Both ought to be mindful of the fact that the administrative program for concentration can at best be only supplementary to market concentration.

Administrative allocation of new seed is inevitable if only because the GOI National Seeds Corporation has to pick and choose among cultivators with whom it contracts for seed multiplication. Ideally, cultivators will be chosen from those sub areas within the Intensive Agricultural Areas with the most favorable soil and water supply. The sub areas are not at this stage well selected, however. Nor are there enough seeds to satisfy them all, and some have to be given favorable treatment over the others. The basis for discriminating among them is not presently clear, but presumably selection would turn on the administrative readiness of a sub area to supply other inputs and the necessary administrative services.

But in almost none of the sub areas is there any such readiness. In actual fact, therefore, the best bet may turn out to be to make the seed available to those cultivators with the I.A.A.'s most eager to buy it — on the supposition that they will be the most eager to expend energies that are necessary to obtain the complementary inputs and that they are also the best informed about how to use them.

- 3. Training and persuasion through extension. -- What should the U.S. do about education and persuasion through extension in the areas of concentration? On this question, there is room for dispute. Still, a few points seem clear. To begin with, as an educational system an extension service hardly exists even in the Intensive Agricultural Areas. Extension workers at block and district headquarters are few and insufficiently trained; and the leg man of the service, the VIM, has by a common agreement been turned by other duties away from demonstration and other instruction for which he was in any case not sufficiently qualified. A 1964 GOI decision to ask the states to convert the VIM's to sericulture alone did not go far enough in pointing the VLW toward field demonstration and instruction and has in any case not been implemented, nor has a training program of sufficient quality and magnitude yet been mounted, even for the needs of the Intensive Agricultural Areas.
- a. The U.S. would therefore waste its energies if it provided technical assistance at the margins of the present extension services. Moreover, given the present state of staffing and readiness of

educational extension services in the I.A.A.'s and the indisposition of the states to gear up their services for the new program, the U.S. should not be seduced into providing general, open-ended expediting and bottleneck-breaking services for the administration of cultivator training in the I.A.A.'s. Such a conclusion seems all the more secure in view of the high probability, already noted, that for the next few years an improvement in training of cultivators is not necessary for the success of the new program because demands for new inputs are outstripping supplies anyway.

- b. The benefits of a first-class extension system for upgrading the competence of cultivators are, however, so all pervasive, that India and the U.S. should assign a high priority to the construction and improvement of such systems in every state even if their absence is not a current bottleneck. The assignment of the Ministry of Community Development to the Minister of Food and Agriculture in the new cabinet is a step toward the required reforms.
- c. One urgent need for improvement in these systems cannot however, wait for their general reconstruction. The energetic multiplication and distribution of new seeds in India is as risky as it is brave. Inevitably technical problems such as the blight that has already afflicted Taichung Native I paddy will threaten the success of the program. India needs but does not now have the technical capacity to meet the urgent, sometimes deeply threatening problems that will arise in adapting these new seeds to Indian

conditions. The failure to provide for a vastly expanded and energized program of adaptive research closely tied to cultivator needs is the one big flaw in the design of the new agricultural program. India needs to convert much of its present agricultural research into short-term adaptive research, needs to expand greatly the personnel engaged in such research, and needs to create routines for communicating cultivator problems to the researchers and research results back to the cultivators. At any moment now the need could become desperate if in some substantial new areas the new seeds fail because of unanticipated flaws in cultivation practices or plant disease.

An unusually high priority for U.S. technical assistance ought therefore to be assigned to the development of an Indian capacity for short-term adaptive research routinely and institutionally tied to the current problems of cultivators in the Intensive Agricultural Areas. Such a project should incidentally, be very carefully designed to avoid dissipating its energies in a very general backstopping of the Intensive Agricultural Areas programs.

4. Administrative Services. -- In India extension systems are not merely educational; they also provide various administrative services.

In the I.A.A. programs, both through extension and in other ways, the state government will have to exert itself to assure distribution of supplies and credit and in many other ways stimulate and facilitate rapid growth, as, for example, through developing warehousing, marketing and shipping services.

Successful -- which means energetic, fast-moving -- administration of the concentration progress in the I.A.A.'s could draw on U.S. technical assistance, especially the assistance of technicians with specific competence in technical subjects like rural credit, seed multiplication, testing, and certification, fertilizer distribution, warehousing, marketing and the like.

Such assistance should be offered only under certain conditions:

(1) assistance projects should be designed to meet needs as seen by
the Indians themselves; (2) the technician should not be in any way
forced on any state or assigned to an indifferent state but should
be assigned only when careful and widely accepted preparations for
their employment have been made by the state; (3) they should be
assigned only to states that have actively staffed and organized
for I.A.A. administration as outlined by the GOI; (4) even these
states should not use U.S. technicians unless they are prepared to
use them not merely to put out fires but to achieve permanent
improvement in administrative capacity; (5) the technicians should
work at the state level, not at the district.

On the last two points, the U.S. should concentrate technical assistance where it will achieve consequential gains within the next few years in bringing inputs and marketing service to the cultivators. That requires that U.S. technicians work on big problems and not let their energies be dissipated in work of only local impact in small areas or in an indefinite round of

miscellaneous expediting and bottleneck breaking for which they will never be sufficient in number and for which Indian energy is in any case indispensable if agricultural administration is to succeed in the I.A.A.'s.

A contribution to problem solving that would reflect credit on a technician operating in the U.S. is often not a big enough contribution in India. For India must achieve unusual gains in production, and U.S. technicians cannot therefore be satisfied with normal standards of accomplishment in the new Indian program.

- 5. Recruitment. -- Recruiters of U.S. technicians for extension education and for administrative services should therefore be sensitive to the difference between miscellaneous general expediting and big consequential assistance to a crash program and should make sure that recruits are competent to practice the latter.
- 6. Design of technical assistance. -- In the war for more food production, India might today be thought of as having decided to fight with modern technology instead of conventional infantry. Although demands for developmental manpower may be larger than ever, the demand is for manpower better trained, more precisely specialized, and more carefully integrated into sophisticated programs than ever before.
- a. Hence it would be a mistake for American technical assistance to rush en masse to the assistance of Indian agriculture on the simple supposition that the new agricultural program is only a bigger and

more energetic old program requiring more of the same kind of assistance that we have always provided.

b. Technical assistance projects should be carefully negotiated with the GOI and, through the GOI, with the states. It is not enough to win a quick assent from a state minister of agriculture, or from the secretary or commissioner of agriculture. A substantial number of high-level people on the Indian side need to be made party to the design of an assistance project so that, when the technicians actually arrive, it will not be the case, as sometimes in the past, that the officer who invited them has been transferred or has lost interest or that intended Indian associates of the technicians are taken by surprise or are hostile. U.S. should use contract personnel to spend a month or two negotiating and designing each assistance project at the state level.

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February 14, 1966

MEMORANDUM FOR HARRY McPHERSON

There are three sides to the Draper letter. After BOB piddled with it for two weeks, here are our joint comments.

- 1. As far as this year's Indian food crisis is concerned, we're moving as fast as the President wants. We've had a technical team out there and Washington study groups run by Freeman himself, so we know pretty well what the problem is. The Indians have been slower in marshalling help from other nations -- which the President insists on -- but they're coming along now. The President is also thinking of an international conference of chief donors, which would be more useful than any "Manhattan Project."
- 2. On the longer range problem of raising Indian food production, we can obviously crank in all the effective help we can find. However, even before the crisis was full-blown, Freeman and Indian Food Minister Subramaniam had agreed that the Indians would make certain basic reforms to improve production. They're moving on fertilizer too. We've told the Indians we'll make such reforms conditions of any new food agreement (beyond the emergency). We know there's lots to be done, and surely the foundations can help. But the Indian government, with help from AID and USDA, already are working with the foundations. With the President's food message now on the record, what we need is less another White House push but for all these people to get together, where they haven't already, and get on with the job.

The one key area where we're hardly off the ground is in population planning. AID has finally sent a team to India under Dr. Franz Rosa to map out what we can do. Rosa will be back the end of March to organize the effort and then go back to run it. I understand the tough job will be rounding up good people, so Draper's offer in para. 6 might be worth picking up. So I'd suggest sending this letter to Dave Bell, calling attention to the offer and suggesting Dr. Rosa might be interested when he gets back. This would serve the added purpose of another prod.

We certainly want to encourage anybody like Draper who wants to pitch in. However, this is a complex exercise, and there's considerable advantage in making sure AID concerts the effort.

Updating the Rockefeller study (Draper's pp 3-4) also makes sense to me.

February 14, 1966

RWK:

Jim Clark agrees with this way of handling Harry McPherson's request for comment on the attached letter from Draper.

HHS

THE WHITE HOUSE WASHINGTON

January 31, 1966

MEMORANDUM FOR

Robert Komer Bureau of the Budget

When you have a moment, would you give me your judgment on this?

Harry McPherson
Special Assistant to the President

January 25, 1966

The Honorable Harry Q. McPherson, Jr. Special Assistant to the President The White House Washington, D. C.

Dear Mr. McPherson:

The opportunity to see you today makes it possible for me to emphasize again the desire of the Population Crisis Committee to assist the Administration in any practicable way. As the President has so well stated, population control is closely related to economic development, and obviously affects the amount of food available per capita in any country.

Specifically, in view of the growing seriousness of the Indian food situation, with a present estimate that two and one-half million babies will die of starvation in the next six months, and with the realization that the real impact of food shortages will strike India in August, September and October just before the new crop is gathered in November, the following suggestion is offered for consideration.

The accession of the new Indian Prime Minister presents a logical occasion to suggest that the mounting food crisis be met by both governments taking the necessary steps to initiate a kind of joint Manhattan project on the highest level and with the greatest possible urgency. To date the efforts of both the Indian Government and of our understaffed AID Mission, with the possible exception of the presently increasing monthly food shipments, would appear to be too little and too late.

Some such program as the following might be proposed:

- 1. The U. S. to ship all food possible as already agreed by the President.
- 2. India to request technical assistance to rapidly expand port and internal food distribution facilities.

The Honorable Harry C. McPherson January 25, 1966
Page 2

- 3. India to make a major effort to increase its own food production. In this connection, India and the U.S. might both request that the Ford Foundation and the Rockefeller Foundation, in cooperation with or as consultants to the U.S. Department of Agriculture, greatly increase present efforts to provide India with technical assistance in increasing and improving its agricultural production of all kinds. The 1966 Food for Peace cost for India alone will be about a billion dollars, so that AID and Agriculture could both profitable spend directly or through the foundations almost any amounts which would increase India's own food production, and so reduce future calls for help.
- 4. India and the U.S. to each appoint a "fertilizer czar" to deal with fertilizer shipments, but more particularly with developing present scattered and unsatisfactory negotiations for the building of many new fertilizer factories in India into actual contracts. These negotiations have gone on for years with almost no results. The American companies involved could well be invited to Washington as a group to review the present unsatisfactory status, and to seek a solution. AID loan policies for this purpose might well be liberalized.
- 5. India to expand many times its present family planning services. Unbelievably India has not yet officially approved the use of birth control pills. India might be invited to do so, provided an offer to furnish pills temporarily and to assist India in building pill factories without royalty (an offer which was made to Nehru by one pharmaceutical company five years ago and rejected) is made by one or more American pharmaceutical companies. This offer would almost surely be made, and would parallel the assistance given India in 1965 by the Population Council with the I.U.D. (in which case 1,200,000 devices were furnished while an Indian loop factory was being planned and built).
- 6. The U.S. to recruit a team of at least 100 administrators, doctors and other experts to train and assist the Indian health administration in rapidly expanding family planning services. This team could become part of the AID Mission, or part of the birth control project operated by the Ford Foundation under former Assistant Surgeon General David Price, or both could be greatly expanded. The Public Health Service, with the help of the Rockefeller and Ford Foundations, the Population Council and Planned Parenthood, could recruit such a team very rapidly. Dr. Jack Lippes, of loop fame, and Dr. Raymond Ewell, who first publicly predicted the present food

The Honorable Harry C. McPherson January 25, 1966
Page 3

crisis, have both offered their help if such a team is recruited.

In considering the urgency of reducing India's rate of population growth, in accordance with that government's announced population policy, the following food requirements are pertinent.

Consumption in 1965 included approximately 88 million tons of domestic grain and 7 million tons of imported grain -- a total of 95 million. The two and one-half percent population increase during 1965 brings the 1966 requirements, even at 1965 unsatisfactory feeding levels, close to 100 million tons. The reduction in the domestic crop because of drought is estimated at more than 10 million tons, perhaps half of which can be offset by increased Food for Peace shipments from the U.S. and perhaps other countries.

But when the present crisis is over, the food requirements will continue to increase some three million tons a year so long as present population growth continues. Indian agriculture has not been able to increase food production at anything like this rate in recent years. The only answer is massive birth control. The present food emergency gives the necessary urgency to step up the presepallid efforts on a grand scale immediately.

Finally, India is not the only country with a population versus food problem, Pakistan has a similar problem on a smaller scale. If present world trends of 2% population growth and 1% food production growth continue, most of Asia, Africa and Latin America will soon be affected.

The first requirement in considering present and future trends in food production and population growth is a clear picture of these trends in each developing country in its race between people and food. The food production trend in the exporting countries must also be closely followed in order to strike a world balance.

I suggest that in view of the present emergency, the Rockefeller Foundation be asked by the White House to update, as a matter of urgency, and to keep up to date, the study of population and food production trends developed under its sponsorship at the Estes Park Conference last summer.

The Honorable Harry C. McPherson January 25, 1966
Page 4

Such a study should enlist the cooperation of all government agencies and all appropriate private organizations. No one is better fitted than the Rockefeller Foundation by ability or experience or reputation to assess the food and population problems of the various countries on an objective and continuing basis, and to recommend effective remedies. The Foundation could act as consultant to the Secretary of State, and to the Secretary of Agriculture, and to the Director of the AID Program, and could report from time to time to those agencies, and to the White House.

I very much appreciate this opportunity to give you these several suggestions.

Sincerely yours.

Villiam H. Draper, Jr. Rational Chairman



DEPARTMENT OF AGRICULTURE OFFICE OF THE SECRETARY WASHINGTON

119 - India food

FEB 3 - 1966

The President
The White House
Washington, D. C.

Dear Mr. President:

As background for briefing members of Congress this afternoon on the India situation I have attached:

- 1. A summary of India's food situation.
- 2. A note on the most immediate problem of level of allocation.
- 3. Suggested summaries for sharing the burden with other countries.
- 4. Some ideas of what India could do for us while helping herself at the same time.

Sincerely,

Summary of India's Food Situation

Last year India had 95 million tons of grain from production and imports. This year, with a harvest of 76 million tons, there is an apparent import deficit of 19 million tons. The Government of India estimates this can be reduced to 11 million tons by drawing down existing meager stocks and "belt tightening." At this point procurement of the grain needed to operate rationing (belt tightening) programs is far behind schedule.

Eleven million tons of wheat is valued at about \$750 million. This is equivalent to one half of India's total annual export earnings.

Against this import deficit of 11 million tons, other countries have thus far contributed 350,000 tons of wheat or about 3 percent of the total need. Offers to provide additional emergency assistance, including foodstuffs other than grain, fertilizer and shipping, increase this total to 4 percent or so.

Other countries have uncommitted export supplies of wheat totalling 6-7 million tons -- mostly in Canada. We have about twice that amount.

Exportable supplies in other countries with commitments made to India in parentheses are as follows: (tons)

Canada	4,000,000	(165,000)	Australia	1,000,000	(150,000)
France	1,000,000	(0)	Italy	200,000	(0)
Argentina	500,000	(0)	Greece	500,000	(5)

Importing countries like Germany, UK and Japan could supply cash shipping or fertilizer -- not grain.

To sustain her people to the next major harvest, India will need to import monthly 1.2 million tons during April and May; 900,000 tons during June, July and August; 1.2 million tons in September and October; and 750,000 tons in November and December. If imports drop much below this level, the internal system for allocating and distributing grain between States may well break down.

Other countries should fill at least one-fourth to one-fifth of the 11 million ton minimum deficit with grain or equivalent value in fertilizer or shipping. This would not be at all unreasonable and would serve several useful purposes including an object lesson in the real value of our food aid. Some possible formulas and tactics to follow in reaching this goal are summarized below.

February 3, 1966

The Immediate Problem of Allocation Level

Pipelines to India, now full as a result of the December 10 1.5 million ton allocation, will begin to run dry February 12, without a further allocation.

To get through Mrs. Gandhi's visit in late March (as you told P.K. Nehru) -- we recommend an allocation of two million tons to be shipped as rapidly as possible. This would permit us to push March shipments up to the 1.2 million tons pre-monsoon rate suggested by the Agriculture team.

If other countries contributed immediately -- which we strongly doubt -- they might stretch a 1.5 million ton U.S. allocation into barely adequate supplies for India through March, but we would probably face the tensions of a gap in the pipeline just when Mrs. Gandhi is here.

Formulas for Sharing the Burden of India's Food Emergency

Starting from India's 11 million ton need, we could (a) ask others to provide a percentage of the total, or (b) a percentage of the amount above our 6 million ton contribution last year. We recommend the latter.

So we have:

Needs - 11 million tons 1965 U.S. shipments - 6 million tons Emergency needs - 5 million tons

(1) We have about 2/3 of the world's uncommitted food grain supply even after accounting for a 1965-level India program. We could offer to fill about 2/3 of India's emergency needs which are mainly for food grains, while other countries supply the rest.

This would bring our total in the current 12 months to about 9.3 million tons while others supplied 1.7 million tons.

(2) We provide 50 percent of the contributions to the FAO World Food Program. If we were also to provide half of India's emergency needs instead of two-thirds -- our total would be 8.5 million tons out of eleven, with other countries asked to send 2.5 million tons. This appears to be out of reach, but might be a starting point.

What Can We Get From India

We can and should insist on firm agricultural, economic, and political commitments from the government of India, some of which are now made but require monitoring.

- 1. Subramaniam's November agreements in Rome on long-range agricultural reform and investment were being carried out up to Shastri's death. We believe the commitment to agriculture is at least as strong in the new government.
- 2. We should insist that India create and maintain a favorable climate for private foreign investment -- particularly in fertilizer -- because this is the key part of the agricultural sector.
- 3. We can insist that she not repeat the mistakes of the past in centralizing economic control in the Government. Import controls must be liberalized for the strategic industries, especially the agricultural supply industries if they are to function as they must if the required imputs are to be produced in India.
- 4. India has come through pretty well in the Tashkent Agreement but can help us more on Viet Nam.
- 5. We should keep our eye on India's progress in family planning. They've had lots of high objectives but have made little real progress in this area. This requires the kind of enthusiasm and priority that India gives to her quarrel with Pakistan.

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Your Holiness:

I fully share your deep humanitarian concern for the victims of famine in South Asia. As you know, the United States has for years been providing massive food assistance to both India and Pakistan. We have sent India alone over 35 million tons of foodgrains. Since receiving your appeal I have authorized yet another 3 million tons. We are also engaged in a sweeping effort to help both countries increase their own production and improve the nutritional quality of what they produce.

We will do yet more -- but even the great resources of my country may be strained to meet India's enormous needs. So I earnestly seek your help in bringing together in a truly international effort all nations who can contribute in any way. We must use this crisis to forge greater bonds of international cooperation too.

I believe that the United Nations will shortly issue a worldwide appeal. I hope that you can join me in actively supporting it, and in calling on all nations able to do so to help in the name of humanity. France, Canada, Australia and Argentina in particular have considerable grain stocks beyond their current needs. A letter from you, similar to that which you have just sent to me, would do much to encourage the leaders of these nations as well to make a generous response. In fact, few nations are so small or poor that they have nothing to give, and hunger is a trial that should unite all men.

We ask your invaluable help and assure you that the United States will not be found wanting.

Sincerely,

His Holiness Paul VI Vatican City, Rome

CC: McGB LBJ:RWK:saw (Typed 2/8/66) Populare 2/10/66



DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY
WASHINGTON

February 9, 1966

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MEMORANDUM

To:

Robert W. Komer, Deputy Special Assistant for

National Security Affairs

The White House

From:

Dorothy H. Jacobson, Assistant Secretary

Subject:

Draft Message on India

After consultation with John Schnittker we are suggesting only a few changes in this draft as indicated below.

Explanation of suggestions

- p. 2 Deletion of "Even our vast ... such magnitude" This, combined with suggestion of a total U.S. contribution of 8.5 million tons, could stir up those who would like to end acreage diversion and have American farmers produce millions more.
- p. 2 Add "and FAO." Memberships not identical.
- p. 3 Self-explanatory.
- p. 5 Self-explanatory.

Attachment

-- His Holiness Pope Paul VI has written to me, /and is calling on other key nations with major resources/, to help meet in the name of humanity the anguish of India's millions.

In an emergency of this magnitude, the obligation to assist a neighbor in distress should extend to every nation in the world.

To those who have no food to spare, we point out that India needs more than food. Her needs include transportation and facilities for handling commodities, as well as fertilizer and other chemicals to assist in her own efforts to produce food. Her needs include credit -- and cash.

To those who believe they have nothing to spare, we suggest another look -- first, at the critical urgency of the crisis -- and then once more at their own potential to help.

There is no nation on earth far enough from India to be immune from the effect of hunger and starvation there.

There are few nations on earth that cannot afford to give something.

And there is no great and rich nation on earth that can sustain its claim to greatness if it cannot find some way to assist its neighbor in this emergency.

Though some others besides the United States have already

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responded handsomely, there response to date must be termed disappointing.

Of the world's uncommitted export supplies, other nations have six or

seven million tons -- about half as much as we in the United States. Yet

To organize this common effort, we suggest that some appropriate form of international consortium be devised. Perhaps the Secretary

General of the United Nations the FAOT or the Indian Government itself could undertake the task. I have asked Ambassador Goldberg to discuss this matter promptly with the Secretary General.

Before embarking on this task of mercy, which may involve as much as \$600 million in foodstuffs which must be paid for by our taxpayers.

I believe it appropriate to call on the legislative branch of this government to discuss and debate fully my proposals, and to endorse them before any further action is taken. I seek the endorsement of the Congress for

- -- US provision of the six million ton Public Law 480 allocation that we would normally have shipped to India without the stimulus of famine.
- -- Further special US contribution to match each ton of foodgrain equivalent others contribute to an international consortium to meet India's critical famine needs -- up to and if needed beyond a total of 2,5 million tons.
- -- An expected expenditure of at least \$600 million for this purpose, financed through the Commodity Credit Corporation, which the Congress will be asked to reimburse.

I am confident that the US people, through their elected representatives, will not be found wanting in their response to the cries of India's needy.



DEPARTMENT OF AGRICULTURE

OFFICE OF ASSISTANT SECRETARY WASHINGTON, D.C. 20250

February 9, 1966

MEMORANDUM

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Attachment

mrs. Jacobsen

February 8, 1966

MEMORANDUM FOR JOHN SCHNITTKER
DAVID BELL
DOROTHY JACOBSEN
RAYMOND HARE

Here is a very rough draft of a special message on measures to meet India's food crisis. It is consistent with the President's desires, as I understand them, with one important exception.

The President's first reaction was very cool to the formula proposed in this draft. Since then, however, he has allocated 3 million tons. This (together with the 1.5 million allotted on 9 December) brings us up to 4.5 million of the 6 million ton "normal" requirements which the US itself ought to meet in order to justify moving to a matching principle on what could be called India's additional famine need. So this formula looks less one-sided at this point.

Should the President nonetheless regard it as still too soft, I'd suggest putting everything beyond the 4.5 million we've already allocated on a 1 for 1, or 2 for 1, matching basis. The chief difficulty is, of course, the sheer unlikelihood that other nations would contribute as much during 1966 as called for by any of these formulas.

May I have your comments by e.o.b. Wednesday, 9 February.

R. W. Komer

cc: Joe Califano

(3:30 p.m.)

DRAFT SPECIAL MESSAGE TO THE CONGRESS R. W. Komer 2/8/66

COPING WITH FAMINE IN INDIA

I have sent to the Congress separately a message and proposed legislation on new initiatives we must take to help meet the increasingly serious world food problem. I stated in that message my belief that the United States must do everything in its power to help those nations ready to help themselves in mounting a major long-term attack on hunger and malnutrition. The nation will profit from the deliberations of the Congress on this grave problem.

Today, however, we also confront an immediate crisis in India.

Reference of Library

Over one hundred million of the ***Examilion** people in the world's largest working democracy face the spectre of famine. The current food crisis in India is so urgent as to require a special immediate effort.

Dimensions of the Indian Crisis

Last year, under our Food for Peace program, we shipped a significant consumed amount of wheat we have here at home. But this year India's need for food imports has more than doubled in the wake of the worst drought of the century.

Last year, India had 95 million tons of grain from production and imports. This year, with a harvest of 76 million tons (as against its own harvest of ____ million last year), there is an apparent import deficit of 19 million tons. The Government of India estimates this can be reduced to 11 million tons by drawing down existing meager stocks and by strict rationing.

A team of experts, which I sent to India to evaluate the magnitude of India's needs and to report on measures that must be taken to meet those needs, confirms this estimate. Eleven million tons of foodgrains, valued at from \$______ to \$750,000,000, seems the minimum necessary to avert extremely grave consequences. The \$750 million is equivalent to one-half of India's total annual export earnings.

Responsibility of All Nations

India has asked the United States for help in this emergency in an amount far greater than in the past. India has also asked for the help of other nations. The United States responded with an allocation of 1.5 million tons last December. After consultations with the leadership of Congress, I authorized three million additional tons on 4 February 1966.

We must do more. Yet meeting an emergency of this gravity cannot and must not be left to a beleaguered India and the United States alone. Even our vast resources may be strained at covering a requirement of such magnitude.

Indeed, India's needs are already widely recognized as demanding a fully international effort, in which the whole community of nations must play a humanitarian role.

- --The Government of India has itself addressed urgent inquiries to all nations believed able to contribute.
- -- The Secretary General of the United Nations, and the Director General of the UN Food and Agriculture Organization have made an urgent joint appeal (Friday, 11 Feb.) to all UN members to aid India in its hour of trial.

-- His Holiness Pope Paul VI has written to me, /and is calling on other key nations with major resources/, to help meet in the name of humanity the anguish of India's millions.

In an emergency of this magnitude, the obligation to assist a neighbor in distress should extend to every nation in the world.

To those who have no food to spare, we point out that India needs more than food. Her needs include transportation and facilities for handling commodities, as well as fertilizer and other chemicals to assist in her own efforts to produce food. Her needs include credit -- and cash.

To those who believe they have nothing to spare, we suggest another look -- first, at the critical urgency of the crisis -- and then once more at their own potential to help.

There is no nation on earth far enough from India to be immune from the effect of hunger and starvation there.

There are few nations on earth that cannot afford to give something.

And there is no great and rich nation on earth that can sustain its claim to greatness if it cannot find some way to assist its neighbor in this emergency.

Though some others besides the United States have already general responded handsomely, their response to date must be termed disappointing.

Of the world's uncommitted export supplies, other nations have six or seven million tons -- about half as much as we in the United States. Yet

it is estimated that total aid from all other countries but the US amounts so far only to three or four percent of the total emergency need.

An International Response

So I ask the Congress to join with me in calling on all other nations, for a response commensurate with the human need. I believe that the American people will want to continue doing our share -- and more. The United States had already, before the drouth struck, been sending wheat to India under Public Law 480 at a rate of 500,000 tons per month -- more than we had ever before provided India. We cannot now ask others to replace this effort. So I believe that the United States itself should continue meeting India's regular need of at least six million tons in 1966. I have already allotted 4.5 million tons of this total for quickest shipment before the summer monsoons reduce India's port capacity.

But I call on the rest of the world -- the community of nations -to share in the emergency task of meeting India's added requirements for
at least five million tons additional foodgrains. Notwithstanding the six
million tons that I propose to allocate in any case, I propose that this
country offer to match -- ton for ton -- whatever portion of this added need
other nations will undertake to meet. In fact, I would propose yet more.
In recognition that many other countries lack foodgrains to contribute, we
should stand ready to match from our food stocks each ton equivalent,
calculated in dollars, that others provide in the form of cash, ships, port
handling equipment, fertilizers, and the like.

To organize this common effort, we suggest that some appropriate form of international consortium be devised. Perhaps the Secretary General of the United Nations the FAOI or the Indian Government itself could undertake the task. I have asked Ambassador Goldberg to discuss this matter promptly with the Secretary General.

Before embarking on this task of mercy, which may involve as much as \$600 million in foodstuffs which must be paid for by our taxpayers, I believe it appropriate to call on the legislative branch of this government to discuss and debate fully my proposals, and to endorse them before any further action is taken. I seek the endorsement of the Congress for

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- -- Further special US contribution to match each ton of foodgrain equivalent others contribute to an international consortium to meet an additional India's critical famine needs -- up to and if needed beyond a total of 2.5 million tons.
- -- An expected expenditure of at least \$600 million for this purpose, financed through the Commodity Credit Corporation, which the Congress will be asked to reimburse.

I am confident that the US people, through their elected representatives, will not be found wanting in their response to the cries of India's needy.

I am convinced that our example will generate a comparable response from other nations, along the lines I have proposed. So I call upon the Congress to join me on this immediate battlefront of the world-wide war on want.

(N.B. Simultaneously with delivery of this message, appropriate

Congressional sponsors would be asked to introduce a Joint Resolution

endorsing the proposals).

DEPARTMENT OF STATE AGENCY FOR INTERNATIONAL DEVELOPMENT WASHINGTON

OFFICE OF THE ADMINISTRATOR FFB 9 1966

MEMORANDUM FOR: The Honorable Robert Komer Special Assistant to the President The White House

SUBJECT: Special Message on the Indian Food Crisis

Attached is an annotated copy of the draft special message. The changes suggested are designed to paint a more accurate picture of the situation in India.

Our current estimate of contributions from others is \$55 million--counting shipping, fertilizers and the like as well as food. This amounts to seven percent of the total import need (\$55 of \$750 million) instead of the 3-4 percent range used on page 4. There is, however, another way to look at the proportionate contribution of others. Since India imported 7 million tons last year, the emergency need this year is only 4 million tons valued at about \$250 million. On this basis, the contribution of others so far is just over 20 percent.

I suggest that the message be shown to the Indian Ambassador before it is made public. You might also show it to some of the potential donors in advance. Millim P. Band J- David E. Bell

DRAFT SPECIAL MESSAGE TO THE CONGRESS R. W. Komer 2/8/66

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(N.B. Simultaneously with delivery of this message, appropriate Congressional sponsors would be asked to introduce a Joint Resolution endersing the proposals).

DEPARTMENT OF STATE ASSISTANT SECRETARY

3730

CONFIDENTIAL

2/9/66

TO : The White House - Mr. Komer

FROM : NEA - William J. Handley

SUBJECT: Draft Special Message on Indian Food Crisis

I return herewith the draft message attached to your memo of February 8. We have written a number of suggestions at appropriate places in the body of the text. I believe these are self-explanatory, and do not require further comment.

We do want to comment, however, on the proposed matching formula and the possible alternatives mentioned in your covering memo. All of these give us trouble.

In any case, the imports from "third countries" will be only partially in grain, and therefore if we matched the third countries' value, there would be an actual shortfall in meeting the Indian grain target. For example, third countries have already pledged about \$60 million. This is equivalent to one million tons of wheat, but in fact only some 136,000 tons of wheat are actually included in the \$60 million figure. Assuming we matched the \$60 million with one million tons of wheat, the total by third countries and ourselves would come out to 1.1 million tons of wheat (plus miscellaneous other aid), or a shortfall of almost 900,000 tons against a presumed need of two million tons of wheat. Projecting future contributions on that basis, India would receive actually only about 2.8 million tons of wheat against a total emergency target of five million tons.

It thus seems necessary, if we must have a matching formula, to work out one which will in fact move to India the total target for grain. One way by which we think this could be done is as follows: Assuming a 6-million ton base for ourselves and a 1:1 formula for an additional five million tons, third countries should supply some \$150 million in aid--equivalent to 2-1/2 million tons of wheat. If they meet that target, we would agree to meet the balance of India's emergency needs up to five million tons. In practice, depending on how much wheat component was in the contributions by third countries, we might actually ship as much, perhaps, as 4-1/2 million tons toward India's

CONFIDENTIAL

GROUP 3

Downgraded at 12-year intervals; not automatically declassified.

DECLASSIFIED
E.O. 13292, Sec. 3.4
State Dept. Guidelines
NARA, Date 4-29-04

emergency needs for grain. If the Canadians, Australians, <u>et al</u>. come up with more than one-half million tons of grain, our own emergency export would be reduced. But in any case, the "third countries" would be held to supplying a reasonable share of India's total emergency requirements, and meanwhile India would be assured of meeting its minimum grain import target.

On roughly the same basis, we see some advantage in going for your alternative suggestion of a U.S. base of 4.5 million, and a 2:1 formula thereafter. We calculate that such an arrangement would require third countries to come up with aid valued at about \$130 million. That calculation is based on an emergency grain figure of 6.5 million, valued at about \$390 million. One-third of that would be \$130 million as the third-countries' share.

4.4

I believe we must face the possibility that, whatever target we set for them, the third countries will fall somewhat short. In that event, we would face the dilemma of telling India, and the world, that we were not shipping wheat which we have and which India needs to prevent starvation, because other countries were not doing their part. I believe it is highly desirable that, if we must have a formula, it be worded in such a way as to allow us to interpret it liberally, in counting the input by third countries, and to give us an open-ended option to meet India's needs, no matter what the other countries did.

But on balance we recommend another formulation which does not put us in a vise:

- (a) Page 4, line 6 from bottom: insert "at least" between "offer" and "to match."
- (b) Page 4, line 3 from bottom: insert "at least" between "ready" and "to match."
- (c) Page 5, second indented paragraph = rewrite as follows: "--Further special US contribution at least to match each ton of foodgrain equivalent others contribute to an international cooperative effort to meet India's critical famine needs."

One other point of substance: your draft would leave coordination of the international effort up to either the UN or the GOI. As you know, we have been pressing Subramaniam to assume the leadership. He is moving in that direction. We continue to prefer that the Indians themselves set up the mechanism in New Delhi for the international cooperative effort.

CONFIDENTIAL

CONFIDENTIAL

-3-

In any event, we believe it would be desirable not to surprise the Indians. I assume we would want to let them know what we have in mind and give them a chance to comment, if they wish, before we actually send the message to the Hill.

Attachment:

Annotated Message

CONFIDENTIAL

(3:30 p.m.)

DRAFT SPECIAL MESSAGE TO THE CONGRESS R. W. Komer 2/8/66

COPING WITH FAMINE IN INDIA

I have sent to the Congress separately a message and proposed legislation on new initiatives we must take to help meet the increasingly serious world food problem. I stated in that message my belief that the United States must do everything in its power to help those nations ready to help themselves in mounting a major long-term attack on hunger and malnutrition. The nation will profit from the deliberations of the Congress on this grave problem.

Today, however, we also confront an immediate crisis in India.

Left billion

Over one hundred million of the **The million** people in the world's largest working democracy face the spectre of famine. The current food crisis in India is so urgent as to require a special immediate effort.

Dimensions of the Indian Crisis

Last year, under our Food for Peace program, we shipped of million tons of grain to India. This was one-half as much (?) as the total amount of wheat we here at home. But this year India's need for food imports has more than doubled in the wake of the worst drought of the century.

Last year, India had 95 million tons of grain from production and

the separated to dropf

imports. This year, with a harvest of 76 million tons (as against its own

has rise drastically

harvest of 88 million last year), there is an apparent import deficit of

19 million tons. The Government of India estimates this can be reduced

that requirements with amports of

[tol 11 million tons by drawing down existing meager stocks and by strict rationing)

when

A team of experts, which I sent to India to evaluate the magnitude of India's needs and to report on measures that must be taken to meet those needs, confirms this estimate. Eleven million tons of foodgrains, valued at from \$______ to \$750,000,000, seems the minimum necessary to avert extremely grave consequences. This \$750 million is equivalent about to one-half of India's total annual export earnings.

Responsibility of All Nations

India has asked the United States for help in this emergency in an amount far greater than in the past. India has also asked for the help of other nations. The United States responded with an allocation of 1.5 million tons last December. After consultations with the leadership of Congress, I authorized three million additional tons on 4 February 1966.

We must do more. Yet meeting an emergency of this gravity cannot and must not be left to a beleaguered India and the United States alone. Even our vast resources may be strained at covering a requirement of such magnitude.

Indeed, India's needs are already widely recognized as demanding a fully international effort, in which the whole community of nations must play a humanitarian role.

- -- The Government of India has itself addressed urgent inquiries to all nations believed able to contribute.
- General of the UN Food and Agriculture Organization, have made an urgent joint appeal (Friday, 11 Feb.) to all UN members to aid India in its hour of trial.

9

-- His Holiness Pope Paul VI has written to me, /and is calling on other key nations with major resources/, to help meet in the name of humanity the anguish of India's millions.

In an emergency of this magnitude, the obligation to assist a neighbor in distress should extend to every nation in the world.

To those who have no food to spare, we point out that India needs more than food. Her needs include transportation and facilities for handling commodities, as well as fertilizer and other chemicals to assist in her own efforts to produce food. Her needs include credit -- and cash.

To those who believe they have nothing to spare, we suggest another look -- first, at the critical urgency of the crisis -- and then once more at their own potential to help.

There is no nation on earth far enough from India to be immune from the effect of hunger and starvation there.

There are few nations on earth that cannot afford to give something.

And there is no great and rich nation on earth that can sustain its claim to greatness if it cannot find some way to assist its neighbor in this emergency.

Though some others besides the United States have already

// /ofall

responded handsomely, their response to date must be termed disappointing.

Of the world's uncommitted export supplies, other nations have six or

seven million tons -- about half as much as we in the United States. Yet

N.B. - this you, hopes to import of who tons of grain of this you, hopes to import 5 who, tong more (\$375 who) - total value of non-US aid offered to date: about \$61 who = 6pp. 1670, or one- sight

it is estimated that total aid from all other countries but the US amounts about one - sight Lolin's orner so far only to three or four percent of the total emergency need. about its imports last war.

An International Response

So I ask the Congress to join with me in calling on all other nations, for a response commensurate with the human need. I believe that the American people will want to continue doing our share -- and more. The United States had already, before the drouth struck, been sending wheat to India under Public Law 480 at a rate of 500,000 tons per month -- more than we had ever before provided India. We cannot now ask others to replace this effort. So I believe that the United States itself should continue meeting India's regular need of at least six million tons in 1966. I have already allotted 4.5 million tons of this total for quickest shipment before the summer monsoons reduce India's port capacity.

But I call on the rest of the world -- the community of nations -to share in the emergency task of meeting India's added requirements for
at least five million tons additional foodgrains. Notwithstanding the six
million tons that I propose to allocate in any case, I propose that this
country offer to match -- ton for ton -- whatever portion of this added need
other nations will undertake to meet. In fact, I would propose yet more.
In recognition that many other countries lack foodgrains to contribute, we
should stand ready to match from our food stocks each ton equivalent,
calculated in dollars, that others provide in the form of cash, ships, port
handling equipment, fertilizers, and the like.

shines by-by hate To organize this common effort, we suggest that some appropriate form of international consortium be devised. Perhaps the Secretary

General of the United Nations the FAOI or the Indian Government itself could undertake the task. I have asked Ambassador Goldberg to discuss this matter promptly with the Secretary General.

Before embarking on this task of mercy, which may involve as much as \$600 million in foodstuffs which must be paid for by our taxpayers.

I believe it appropriate to call on the legislative branch of this government to discuss and debate fully my proposals, and to endorse them before any further action is taken. I seek the endorsement of the Congress for

- -- US provision of the six million ton Public Law 480 allocation that we would normally have shipped to India without the stimulus of famine.
- -- Further special US contribution to match each ton of foodgrain

 contribute to an international consortium to meet

 India's critical famine needs, sup to and if needed beyond a total of

 8.5 million tons.
- -- An expected expenditure of at least \$600 million for this purpose, financed through the Commodity Credit Corporation, which the Congress will be asked to reimburse.

I am confident that the US people, through their elected representatives, will not be found wanting in their response to the cries of India's needy.

I am convinced that our example will generate a comparable response from other nations, along the lines I have proposed. So I call upon the Congress to join me on this immediate battlefront of the world-wide war on want.

(N.B. Simultaneously with delivery of this message, appropriate

Congressional sponsors would be asked to introduce a Joint Resolution

endorsing the proposals).

PROCESSING NOTE:

The numbers 117 through 162 were not used in the numbering of this folder. The document numbers skip from #116a to #163.

Jennifer Cuddeback Archivist

April 29, 2004

163 file 1 Judia food 2. Dosk file

February 8, 1966

MEMORANDUM FOR JOHN SCHNITTKER
DAVID BELL
DOROTHY JACOBSEN
RAYMOND HARE

Here is a very rough draft of a special message on measures to meet India's food crisis. It is consistent with the President's desires, as I understand them, with one important exception.

The President's first reaction was very cool to the formula proposed in this draft. Since then, however, he has allocated 3 million tons. This (together with the 1.5 million allotted on 9 December) brings us up to 4.5 million of the 6 million ton "normal" requirements which the US itself ought to meet in order to justify moving to a matching principle on what could be called India's additional famine need. So this formula looks less one-sided at this point.

Should the President nonetheless regard it as still too soft, I'd suggest putting everything beyond the 4.5 million we've already allocated on a 1 for 1, or 2 for 1, matching basis. The chief difficulty is, of course, the sheer unlikelihood that other nations would contribute as much during 1966 as called for by any of these formulas.

May I have your comments by c.o.b. Wednesday, 9 February.

R. W. Komer

cc: Joe Califano

Note: attached is our only copy of deapt. Do not give away without making more copies.

(3:30 p.m.)

DRAFT SPECIAL MESSAGE TO THE CONGRESS R. W. Komer 2/8/66

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I have sent to the Congress separately a message and proposed legislation on new initiatives we must take to help meet the increasingly serious world food problem. I stated in that message my belief that the United States must do everything in its power to help those nations ready to help themselves in mounting a major long-term attack on hunger and malnutrition. This nation will profit from the deliberations of the Congress on this grave problem.

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Last year, India had 95 million tons of grain from production and imports. This year, with a harvest of 76 million tons (as against its own harvest of ____ million last year), there is an apparent import deficit of 19 million tons. The Government of India estimates this can be reduced to 11 million tons by drawing down existing meager stocks and by strict rationing.

A team of experts, which I sent to India to evaluate the magnitude of India's needs and to report on measures that must be taken to meet those needs, confirms this estimate. Eleven million tons of foodgrains, valued at from \$______ to \$750,000,000, seems the minimum necessary to avert extremely grave consequences. The \$750 million is equivalent to one-half of India's total annual export earnings.

Responsibility of All Nations

India has asked the United States for help in this emergency in an amount far greater than in the past. India has also asked for the help of other nations. The United States responded with an allocation of 1.5 million tons last December. After consultations with the leadership of Congress, I authorized three million additional tons on 4 February 1966.

We must do wet more. Yet meeting an emergency of this gravity cannot and must not be left to a beleaguered India and the United States alone. Even our vast resources may be strained at covering a requirement of such magnitude.

Indeed, India's needs are already widely recognized as demanding a fully international effort, in which the whole community of nations must play a humanitarian role.

- -- The Government of India has itself addressed urgent inquiries to all nations believed able to contribute.
- -- The Secretary General of the United Nations, and the Director General of the UN Food and Agriculture Organization, have made an urgent joint appeal (Friday, 11 Feb.) to all UN members to aid India in its hour of trial.

-- His Holiness Pope Paul VI has written to me, \(\sqrt{and} \) is calling on other key nations with major resources\(\sqrt{e} \), to help meet in the name of humanity the anguish of India's millions.

In an emergency of this magnitude, the obligation to assist a neighbor in distress should extend to every nation in the world.

To those who have no food to spare, we point out that India needs more than food. Her needs include transportation and facilities for handling commodities, as well as fertilizer and other chemicals to assist in her own efforts to produce food. Her needs include credit -- and cash.

To those who believe they have nothing to spare, we suggest another look -- first, at the critical urgency of the crisis -- and then once more at their own potential to help.

There is no nation on earth far enough from India to be immune from the effect of hunger and starvation there.

There are few nations on earth that cannot afford to give something.

And there is no great and rich nation on earth that can sustain its claim to greatness if it cannot find some way to assist its neighbor in this emergency.

Though some others besides the United States have already responded handsomely, their response to date must be termed disappointing.

Of the world's uncommitted export supplies, other nations have six or seven million tons -- about half as much as we in the United States. Yet

it is estimated that total aid from all other countries but the US amounts so far only to three or four percent of the total emergency need.

An International Response

So I ask the Congress to join with me in calling on all other nations, for a response commensurate with the human need. I believe that the American people will want to continue doing our share -- and more. The United States had already, before the drouth struck, been sending wheat to India under Public Law 480 at a rate of 500,000 tons per month -- more than we had ever before provided India. We cannot now ask others to replace this effort. So I believe that the United States itself should continue meeting India's regular need of at least six million tons in 1966. I have already allotted 4.5 million tons of this total for quickest shipment before the summer monsoons reduce India's port capacity.

But I call on the rest of the world -- the community of nations -
to share in the emergency task of meeting India's added requirements for

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To organize this common effort, we suggest that some appropriate form of international consortium be devised. Perhaps the Secretary General of the United Nations the FAO or the Indian Government itself could undertake the task. I have asked Ambassador Goldberg to discuss this matter promptly with the Secretary General.

Before embarking on this task of mercy, which may involve as much as \$600 million in foodstuffs which must be paid for by our taxpayers, I believe it appropriate to call on the legislative branch of this government to discuss and debate fully my proposals, and to endorse them before any further action is taken. I seek the endorsement of the Congress for



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-- Further special US contribution to match each ton of foodgrain as other nations undertake to supply commodities, and services equivalent others contribute to an international consection to meet equal in value to half the value of the grain currently estimated India's critical femine needs—up to and if needed beyond a total of as needed for import.

-- An expected expenditure of at least \$600 million for this purpose, financed through the Commodity Credit Corporation, which the Congress will be asked to reimburse.

I am confident that the US people, through their elected representatives, will not be found wanting in their response to the cries of India's needy.

I am convinced that our example will generate a comparable response from other nations, along the lines I have proposed. So I call upon the Congress to join me on this immediate battlefront of the world-wide war on want.

(N.B. Simultaneously with delivery of this message, appropriate Congressional sponsors would be asked to introduce a Joint Resolution endorsing the proposals).

New Delhi, February 9, 1966.

Dear Mr President:

Ambassador B.K. Nehru has reported to me the talk he had with you on the 2nd February. I am grateful to you for receiving him immediately after his return to Washington and for the patient and sympathetic hearing you gave him. Even more, I thank you for your immediate response in making available another three million tons of foodgrains under your P.L.480 programme. This sets at rest our immediate anxieties on the food front. We are intensifying our efforts to make other countries join more meaningfully in the international effort which you have initiated to help us.

There is one matter which is still causing me concern. It is so urgent that I feel I must write about it straightaway as it cannot wait until I am in a position to visit you in Washington which would be some time in the later half of March.

Following the unfortunate conflict with Pakistan, there had been a pause in the flow of U.S. aid to India. You have been good enough to release some of this aid recently to help us to meet our fertiliser needs. The cause of our present deep anxiety is that the suspension of non-project aid has left most of our industries desperately short of essential raw materials, components and spare parts for which they have been relying on U.S. sources of supply. Production and employment in many units have already been affected. In another few weeks, we apprehend large scale unemployment and closure of factories all over the country. I



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Authority PRUS64-68, 11. 25, 4291

By JC., NARA, Date 4-23-04

do hope, Mr. President, that this matter will receive your attention in the immediate future as to keep it pending till I am able to come to Washington would only prolong the period for which men and machinery will be kept idle.

With warm regards,

Yours sincerely,

(Signed) Indira Gandhi

His Excellency
Lyndon Baines Johnson,
The President,
The White House,
Washington D.C.



भारतीय राजदूतावास वार्चिगटन, डी॰ सी॰ EMBASSY OF INDIA WASHINGTON, D. C.

February 9, 1966

Dear Mr President:

I have the honour to transmit to you the enclosed message from Shrimati Indira Gandhi, Prime Minister of India, which has been received at this Embassy telegraphically.

With my high regard and esteem,

Yours sincerely,

(B.K. Nehru)
Ambassador of India

His Excellency
Lyndon B. Johnson,
The President,
The White House,
WASHINGTON D.C.

DEPARTMENT OF STATE
Assistant Secretary

February 9, 1966

TO:

The White House - Mr. Robert W. Komer

SUBJECT: Food for India

As promised I am sending you attached a draft statement for the use of Ambassador Goldberg. He is expected to release some such statement immediately following the issuance by U Thant and Dr. Sen of the FAO of their appeal for an intensive large-scale international effort on behalf of India in their present food crisis. That appeal is to be made at 11 am this coming Friday.

As you will see from the statement, it has been cleared at various levels in the State Department and in the Department of Agriculture. It has the personal endorsement of Joe Sisco. Another copy went to Ambassador Goldberg but we have not yet heard from him.

We would be grateful for any comments or suggestions which you may want to make, preferably by phone to me on Extension 2394.

IO - Walter Kotschnig

Enclosure:

Draft statement by Ambassador Goldberg.

THE WHITE HOUSE WASHINGTON

2/5/66

TO: Mr. Komer

FROM: Bromley Smith

The attached is for your immediate attention. Please have your secretary keep Miss Simpson of my staff (145-697) informed of all action taken.



DEPARTMENT OF STATE

WASHINGTONED

McGEGROE Brebruary 4, 1966

1- Komer 2- ret.

4

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MEMORANDUM FOR MR. McGEORGE BUNDY
THE WHITE HOUSE

Subject: Letter from Pope Paul to the President dated January 21

A suggested reply to Pope Paul's letter to the President, transmitted by Mr. Bromley Smith's note of January 31, is attached.

Benjamin H. Read Executive Secretary

Enclosures

- 1. Draft letter to Pope Paul
- Message to the President from Pope Paul.

Dear Pope Paul:

I deeply appreciate your letter of January 21 on the grave food situation on the South Asian subcontinent. I share fully the concern which you have expressed.

The United States has been providing massive food assistance to both India and Pakistan for many years past. To date we have supplied India alone over 35 million tons of foodgrains, as well as a variety of other farm products. Our food aid shipments to both countries have been continuous.

My Government has had the current Indian food crisis under intensive study. I discussed the situation with the Indian Food and Agriculture Minister when he came to Washington in December 1965 at the invitation of my own Secretary of Agriculture. Since that time we have been in almost constant discussion with the Government of India on its food needs. A team of US Government experts recently toured India to work with the Government there to get a clearer idea of the true dimensions of the crisis and what steps might be needed to meet it.

In December I authorized an exceptional allocation of wheat and some other grain for rapid shipment. Most of that food is now on the high seas en route to India. I have very recently authorized another emergency allocation of grain so as to assure that food will continue to move to India as fast as it can be handled.

His Holiness

Paul VI,

Vatican City.

We have stated publicly our firm belief that all nations in a position to do so should join in a special international effort to help India meet the grave food problem it is now confronting. We have also said that we are fully prepared to participate in such an effort. India's problem is the world's problem. I believe that all men of good faith have a stake in seeing that people do not starve.

I am hopeful that your own example will help others to come forward, and that your plea will be heard around the world. We must act urgently and together on this problem for the cause of all mankind.

THE WHITE HOUSE WASHINGTON

733

January 31, 1966

TO: Mr. Ben Read

FROM: Bromley Smith

Attached for translation and/ or recommendation is a message to the President.

It is requested that a recommendation be provided my office by no later than 2/3 1650

1650

UNITED STATES OF AMERICA

3339 Massachusetts Avenue, N. W. Washington, D. C. 20008

tow

January 29, 1966

Dear Mr. Valenti:

I have the honor to enclose herewith a letter from His Holiness, Pope Paul VI, to the President of the United States, and shall be grateful if you will kindly arrange to have it arrive in the hands of the President.

Accept, Mr. Valenti, the renewed assurances of my high consideration.

Apostolic Delegate

The Honorable
Jack Valenti
Special Assistant to the President
The White House

1733

HIS EXCELLENCY LYNDON B. JOHNSON PRESIDENT OF THE UNITED STATES OF AMERICA

The world at this critical time needs examples of true brotherhood with its consequent results of understanding and sympathy. We know very well of the generosity of the American people, particularly in the post-war period, and we see it continuing even today in areas so much in need of assistance.

Undoubtedly Your Excellency is aware of the grave situation that now faces India, and to a certain extent also Pakistan, due to a serious shortage of food. Millions of innocent people will suffer starvation and malnutrition. Our heart goes out to these poor people whom we would so desire to assist in this grave hour of need. We appeal to Your Excellency, and, through you, to your good people, to come to the aid of these impoverished and stricken nations. United States has been most sympathetic to these suffering nations, but in the face of the greatest food shortage in the history of India, we hope that your nation will once again provide exceptional assistance. The future alone will prove how much such an act of true brotherly love will have contributed to peace and understanding in the world. We, too, according to our very limited means, have extended a helping hand to these stricken peoples.

Confident that our plea will be heard, we invoke upon your Excellency and the people of the United States, already blessed beyond measure by God, an abundance of heavenly favors and the blessings of peace, happiness and prosperity.

From the Vatican, January 21, 1966

Paulus P P. VI.

THE WHITE HOUSE

January 31, 1966 10:00 a.m. Monday

MEMORANDUM FOR McGEORGE BUNDY

Could you please prepare whatever answer is needed to the attached?

Jack Valenti

PRESS CONFERENCE NO. 54 OF THE PRESIDENT OF THE UNITED STATES 2:45 P.M. EST Friday February 4, 1966 AT THE WHITE HOUSE THE PRESIDENT: I have two or three items of interest, I think, to give you. First of all, I spent some time this week working on the food situation for India. I think I need not dwell at length on the very serious situation that confronts the Government of India and the people as a result of the drought and the famine that exists there. I have counseled with the appropriate Members of the House and Senate, in Agriculture and Foreign Affairs and Foreign Relations and Appropriations fields, and I am today making an allotment of 2 million tons of wheat and 1 million tons of maize to be immedaitely available, and to be shipped as quickly as is possible. The wheat will be worth in the neighborhood of \$160 million, and the maize will be between \$45 million and \$50 million. I plan to see the Prime Minister at her convenience, and we will at that meeting go further into the problems, the mutual problems, to try to arrive at a further course of action and additional measures that we can take and our people can take to be helpful to our friends and to the people of India, and also to talk about things that the people of India can do to help their friends, the people of America. I have reviewed this at some length with the Ambassador, at great length with the Secretary of State, and the Secretary of Agriculture. We h-ve had a number of our best technical personnel there. Some are still there. Others will be going in the next few days. If there are questions on that, I will take them now, and then I will go into some other things. QUESTION: Mr. President, I would gather, then, that the resumption of economic aid will await the visit of Mrs. Nehru. THE PRESIDENT: I wouldn't want to foreclose or preclude any allotments in between, but none have been made as of now. I would anticipate that she would be here in the reasonably near future. I am just passing on the most urgent at the moment. That is food. We have allotted 3-1/2 million tons already this fiscal year, and this will be an additional 3 million, 2 million of wheat and 1 million of maize. MORE PRESERVATION CON You can say that we are formulating legislation that we will discuss with the Indian Government, but we are formulating legislation that will be discussed and debated and sent to the Congress unless we change our mind. That is our present plan, to ask for a commitment of the Congress and the American people and to also use whatever influence we have, what leadership in the world, to ask other countries to come in and contribute.

Now, in just what form we will do that is still in the detail state. I went into it last night and I spent some time today with the Secretary of Agriculture on it, but he is going to be working on it today.

QUESTION: Can you say how this might affect the American farm situation?

THE PRESIDENT: I wouldn't think it would affect it a great deal one way or the other. We have adequate supplies.

QUESTION: It will cut down surpluses, though, will it not?

THE PRESIDENT: Yes.

QUESTION: Mr. President, would you expect Mrs. Gandhi to come here within the next few weeks?

THE PRESIDENT: I think that is a matter for her to announce. She is welcome any time she can come. We have been very receptive to visits of the Prime Minister of India since we got our foreign aid legislation last year, and we were in a position to know what we were authorized to do.

QUESTION: Mr. President, this shipment you just announced is in addition to the emergency grain shipments you authorized late last year?

THE PRESIDENT: Yes. This will be a total of 6-1/2 million tons. We have authorized 3-1/2 million and we will authorize another 3 million today. I haven't even told the Secretary the amount. I have been studying this since he left here.

But, as a matter of fact, I am announcing a little more than I thought. I want to be sure that we announce what we can, and then I am going to ask Congress to join me in authorizing me to make a rather substantial increase in allotments and ask the world to help us every way we can.

QUESTION: Mr. President, is the aim to try to get it up to approximately a million tons?

THE PRESIDENT: I would say that is pure speculation. We don't have any aim, goal, or objective. We want to do whatever we can to try -- not to have more than we need or less than we need, but we are surveying that now. We don't know what other nations will do. You can be sure America will do more than her part. I think we do a great disservice when we speculate that America is going to contribute X or Y amounts before we have even decided that, because you then wed us to a position in theppublic mind which is not justified, and which I am not authorized to make.

Page 3

QUESTION: Mr. President, would this be a part of your Food For Peace Message, or will you put in a special bill that would apply to India?

THE PRESIDENT: This will be India, a special emergency situation for India,

QUESTION: Mr. President, can you tell us what India's needs are at this point on a monthly basis or a yearly basis?

THE PRESIDENT: They have a shortage of roughly 19 million tons, and they are taking steps to ration and pull that down to several million tons -- 6, 7, 8, maybe down to 11 or 12 million. They can speak better about that than I can, although I had a detailed report from the Ambassador last night that I reviewed with the Congress.

Is there anything else?

QUESTION: Will you take questions on other subjects, sir?

THE PRESIDENT: Yes. I am going to make another little announcement and you will probably want to ask me something on that.

For some time I have been wanting to visit with Ambassador Lodge and General Westmoreland. Last week we explored the possibility of General Westmoreland coming here and addressing a group, and that did not work out. So I ascertained this would be in Pearl Harbor and Honolulu this week end. I have tentative plans to have Ambassador Lodge come --

QUESTION: What was that, sir?

THE PRESIDENT: I have plans to ask Ambassador Lodge to come into Honolulu and join General Westmoreland there. I willask the Secretary of State, the Secretary of Defense, the Secretary of Agriculture, and the Secretary of Health, Education, and Welfare, with appropriate education and health officials, to join me and a very limited White House working group. We will leave here sometime late tomorrow and go to Honolulu.

We will ask the Chief of State, Mr. Hui, and the Prime Minister, Mr. Ky, to also come there for a visit, and to exchange views with us. We will have both military and non-military briefings.

Following those meetings on Tuesday, I will return to Washington with some of the Cabinet and perhaps Mr. Bundy, the Secretary of Agriculture and other technical people, may go on to explore and inaugurate certain classification programs in the fields of health, education, and agriculture in Vietnam.

As I said, I have been wanting to have a chance to review with Ambassador Lodge and General Westmoreland our complete program there. Since General Westmoreland is going to be there anyway, I thought it would be good for us this week end to meet him there instead of trying to have them

THE WHITE HOUSE

4:55 p.m., Thursday February 3, 1966

FOR THE PRESIDENT

FROM

Joe Califano

James J. 6

Here is the information on food assistance to India that you requested. The "Total Commodities" column is higher than the wheat column because it contains some other items, mostly sorghum, in addition to wheat.

Attach.

W. MARVIN WATSON DES FEB 3 PM 5 02

February 3, 1966

FOOD ASSISTANCE TO INDIA

7	Wh	neat	Total Commodities
Fiscal Year	Mil. MT	Mil. \$	Mil. \$
1957	1.76	102.7	149.2
1958	1.87	113.9	126.1
1959	3.22	204.5	232.9
1960	3.15	187.3	251.0
1961	3.21	192.7	298.1
1962	1.98	121.6	162.3
1963	3.51	219.1	307•2
1964	4.46	285.0	365.5
1965	5.91	401.9	502.6
1966 (1st half)	3.01	171.6	189.4
TOTAL	32.08	2,000.1	2,584.3

There were no Title I PL 480 programs with India during fiscal years 1953, 1954, 1955 and 1956.

Since late last year, monthly grain shipments have been:

	Million	Metric	Tons
July August September October November December January		.63 .5 .60 .59 .40 .46	

THE WHITE HOUSE WASHINGTON

February 3, 1966 Thursday 4:30 p.m.

MEMORANDUM FOR THE PRESIDENT

Here are Ambassador Nehru's notes.on the Indian food problem, as you requested him to provide yesterday.

A. W. Komer

Attachment

Indian production of foodgrains increased from 54 million tons (in 1949-50) to 87 million tons (in 1964-65). Indian agricultural production, however, continues to be heavily dependent on the timeliness and quantum of the seasonal (monsoon) rains since irrigated land is less than a fifth of the total sown area and irrigation also depends in large measure on rainfall. In the current agricultural year 1965-66, India has suffered from the worst drought in 70 years. Foodgrain production is, therefore, expected to be no more than 75 million tons. Widespread famine and suffering are consequently threatened if adequate measures are not taken in time to meet the crisis.

- 2. In 1964-65, India imported 7 million tons of foodgrains mainly from the United States under Public Law 480. The total availability was, therefore, 94 million tons. Compared to this, the shortfall this year will be 19 million tons. On present indications of the extent of the food shortage, India wants to import from the United States 11 to 12 million tons for the calendar year 1966. The remaining gap will be met through imports from other countries and by restriction of consumption. This is being done by way of rationing in the urban areas, and a more equitable distribution of available food by internal procurement and a network of fair price shops in rural and urban areas.
- 3. The capacity of the Indian ports to handle imports of foodgrains has been estimated at 13.5 million tons per annum, the capacity being 0.9 million tons in each of the monsoon months (June, July and August) and 1.2 million tons each in the other months. There are no difficulties of internal transport.
- 4. The Indian Government has appealed to the U.N., the F.A.O. and the World Food Programme for emergency assistance in this situation in the shape of foodgrains, milk powder, freight, pesticides etc. It has also sent two Deputy Ministers of Food & Agriculture to a large number of countries in a position to help to ask them for assistance. The result of their efforts up to date is shown in the annexed statement.

- 5. The U.S. has so far authorized 3.5 million tons of wheat in FY 1966. All this will be completely shipped by mid February. Immediate further allocation is necessary if supplies are not to be interrupted. It takes six to eight weeks from a purchase authorization to the arrival of the grains in Indian ports.
- 6. The policies of the Indian Government in regard to agriculture, including the encouragement of the import and production of fertilizers, were discussed by the Indian Food & Agriculture Minister with the President and the Secretary of Agriculture. They were satisfied that these policies were sound and are satisfied that they are being followed.

Feb. 3, 1966 Thursday, 2;00 p.m.

Mr. Komer:

David Schneider phoned re list of names of Congressman interested in India Food problem which you requested.

He says a list has been prepared by Henry Wilson to which he would add the following names who have had some recent association:

Cohelen *
Zablocki *
Morse *
McGovern
Holifield *
Cooper

* These all headed Codels (Congressional Delegations) which have been recently in India.



DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY
WASHINGTON

Exit by at The should

FEB 3 - 1966

The President
The White House
Washington, D. C.

Dear Mr. President:

As background for briefing members of Congress this afternoon on the India situation I have attached:

- 1. A summary of India's food situation.
- 2. A note on the most immediate problem of level of allocation.
- 3. Suggested summaries for sharing the burden with other countries.
- 4. Some ideas of what India could do for us while helping herself at the same time.

Sincerely,

Oreille & Fremmen

PRESERVATION COPY

February 3, 1966

Summary of India's Food Situation

Last year India had 95 million tons of grain from production and imports. This year, with a harvest of 76 million tons, there is an apparent import deficit of 19 million tons. The Government of India estimates this can be reduced to 11 million tons by drawing down existing measure stocks and "belt tightening." At this point procurement of the grain needed to operate rationing (belt tightening) programs is far behind schedule.

Eleven million tons of wheat is valued at about \$750 million. This is equivalent to one half of India's total annual export earnings.

Against this import deficit of 11 million tons, other countries have thus far contributed 350,000 tons of wheat or about 3 percent of the total need. Offers to provide additional emergency assistance, including foodstuffs other than grain, fertilizer and shipping, increase this total to 4 percent or so.

Other countries have uncommitted export supplies of wheat totalling 6-7 million tons -- mostly in Canada. We have about twice that amount.

Exportable supplies in other countries with commitments made to India in parentheses are as follows: (tons)

Canada	4,000,000	(165,000)	Australia	1,000,000	(150,000)
France	1,000,000	(0)	Italy	200,000	(0)
Argentina	500,000	(0)	Greece	500,000	(5)

Importing countries like Germany, UK and Japan could supply cash shipping or fertilizer -- not grain.

To sustain her people to the next major harvest, India will need to import monthly 1.2 million tons during April and May; 900,000 tons during June, July and August; 1.2 million tons in September and October; and 750,000 tons in November and December. If imports drop much below this level, the internal system for allocating and distributing grain between States may well break down.

Other countries should fill at least one-fourth to one-fifth of the 11 million ton minimum deficit with grain or equivalent value in fertilizer or shipping. This would not be at all unreasonable and would serve several useful purposes including an object lesson in the real value of our food aid. Some possible formulas and tactics to follow in reaching this goal are summarized below.

February 3, 1966

The Immediate Problem of Allocation Level

Pipelines to India, now full as a result of the December 10 1.5 million ton allocation, will begin to run dry February 12, without a further allocation.

To get through Mrs. Gandhi's visit in late March (as you told P.K. Nehru) — we recommend an allocation of two million tons to be shipped as rapidly as possible. This would permit us to push March shipments up to the 1.2 million tons pre-monsoon rate suggested by the Agriculture team.

If other countries contributed immediately - which we strongly doubt -- they might stretch a 1.5 million ton U.S. allocation into barely adequate supplies for India through March, but we could probably face the tensions of a gap in the pipeline just when Mrs. Gandhi is here.

Formulas for Sharing the Burden of India's Food Emergency

Starting from India's 11 million ton need, we could (a) ask others to provide a percentage of the total, or (b) a percentage of the amount above our 6 million ton contribution last year. We recommend the latter.

So we have:

Needs - 11 million tons 1965 U.S. shipments - 6 million tons Emergency needs - 5 million tons

(1) We have about 2/3 of the world's uncommitted food grain supply even after accounting for a 1965-level India program. We could offer to fill about 2/3 of India's emergency needs which are mainly for food grains, while other countries supply the rest.

This would bring our total in the current 12 months to about 9.3 million thus while others supplied 1.7 million tons.

(2) We provide 50 percent of the contributions to the FAO World Food Program. If we were also to provide helf of India's emergency needs instead of two-thirds — our total would be 8.5 million tone out of eleven, with other countries asked to send 2.5 million tone. This appears to be out of reach, but might be a starting point.

What Can We Get From India

We can and should insist on fire caricultural, economic, and political commitments from the government of India, some of which are now made but require monitoring.

- 1. Subramanian's Nevember agreements in Rome on long-range agricultural reform and investment were being carried out up to Shastri's death. We believe the commitment to agriculture is at least as strong in the new government.
- 2. We should insist that India create and maintain a favorable climate for private foreign investment -- particularly in fortilizer -- because this is the key part of the agricultural sector.
- 3. We can insist that she not repeat the mistakes of the past in centralizing economic control in the Covernment. Import controls must be liberalized for the strategic industries, especially the agricultural supply industries if they are to function as they must if the required imputs are to be produced in India.
- 4. India has come through pretty well in the Cashkent Agreement but can help us more on Viet Nam.
- 5. We should keep our eye on India's progress in family planning. They've had lots of high objectives but have made little real progress in this area. This requires the kind of enthusians and priority that India gives to her quarrel with Pokister.

SEC:JASchnittker:sfw 2-3-66

EIGHTY-NINTH CONGT

HAROLD D. COOLEY, N.C., CHARMAN W. R. POAGE, TEX., VICE CHARMAN

E. C. GATHINGS, ARK.
JOHN L. MCMILLAN, S.G.
THOMAS G. ABERNETHY, MISS.
WATKINS M. ABBITT, VA.
PAUL G. JONES, MO.
HARLAN HAGEN, CALIF,
FRANK A. STUBGLEFIELD, KY.
GRAHAM PURCELL, TEX.
JAMES H. MORRISON, LA.
ALFC G. OLSON, MINN.
SPARK M. MATSUNAGA, HAWAII
MASTON O'NEAL, GA.
THOMAS S. FOLEY, WASH.
JOSEPH Y. RESNICK, N.Y.
LYNN E. STALBAUM, WIS.
ELIGIO DE LA GARZA, TEX.
JOHN G. MACKIE, MICH.
ROLLAND REDLIN, N. DAK.
BERT BANDSTRA, 10WA
STANLEY L. GREIGG, 10WA
CLAIR A. CALLAN, NEBR.

PAUL B. DAGUE, PA.
PAGE BELCHER, OKLA.
CHARLES M. TEAGUE, CALIF.
ALBERT H. QUIE, MINN.
MINS. CATHERINE MAY, WASH.
DELBERT L. LATTA, OHIO
RALPH HARVEY, IND.
PAUL FINDLEY, ILL.
ROBERT DOLEY, KANS.
LAURENCE J. BURTON, UTAH
PRENTISS WALKER, MISS.

RESIDENT COMMISSIONER SANTIAGO POLANCO-ABREU, PUERTO RICO House of Representatives, U.S. Committee on Agriculture
Washington, D.C.

February 3, 1966

1966 Lee marks of state

MRS. CHRISTINE S. GALLAGHER, CLERK HYDE H. MURRAY, ASSISTANT CLERK JOHN J. HEIMBURGER, GENERAL COUNSEL FRANCIS M. LE MAY, STAFF CONSULTANT

The President
The White House
Washington, D. C.

Dear Mr. President:

I am gravely concerned that the United States, with its great food and fiber abundance and potential, may do "too little too late" to meet urgent famine needs and to narrow the world food gap.

My anxiety is based upon the administration's new world food policy, as reflected in your Budget and subsequent messages. These messages have not given much encouragement to those of us in the Congress who believe that:

- we have a mission to use our great abundance to feed and clothe people while these people struggle to achieve self-sufficiency in their own agriculture;
- our greatest opportunity to present America's real image to the world is in the dimension of our response to the hunger and suffering of mankind, and,
- there is no road more certain in the direction of world peace, than rendering to the needs and to the self-reliance of the masses of people in the Free World.

I learned this morning that you have delayed sending up to the Congress your specific world food policy message. I find some hope in this delay that

Cong. Cooley 12 XB9 2/3/66

February 3, 1966

Page Two

The President
The White House

you personally will see that the dimensions of this policy are vastly enlarged over the portents of your previous messages.

Moreover, Mr. President, I suggest that you take dramatic steps now to get food to the hungry and riot-ravaged areas of India. I propose that you forthwith establish an air lift of food by our Air Force to those isolated provinces of India where Communists are leading food riots, and to other areas of that great nation where drought has brought on famine.

We have made our wheat available to India, but poor harbor and interior transportation facilities will let this relief only trickle through to many famine areas. I am proposing that, with the cooperation of the Indian government, we deliver wheat by seagoing vessels to nearest ports with adequate unloading facilities, then use our Air Force cargo planes to take the food directly to the provinces where people are hungry and starving.

This undertaking could be accomplished with the same precision that our military aircraft supplied Berlin during the Communist blockade.

It would show to the world the great heart of America.

Mr. President, if Russia and China were able to match the ingenuity of our agriculture and they, not us, had controlled the sources of food and fiber abundance, the larger part of the world long since may have swung into the Communist fold, for starving people may exchange their liberty for food in the stomachs.

By a large and confident employment of our food and fiber abundance, Mr. President, America can relieve human agony, encourage self-reliance in peoples, and persuade them in the ways of peace.

Mery respectfully yours,

Chairman

HDC/bmp



भारतीय राजदूतावास वाशिंगटन, डी॰ सी॰ EMBASSY OF INDIA WASHINGTON, D. C.

February 3, 1966

My dear Bob:

Herewith a note on the food situation which the President asked for yesterday.

With kind regards,

Yours sincerely,

Bre

(B.K. Nehru) Ambassador

Mr Robert Komer, The White House, Washington D.C.

The Food Situation in India

Indian production of foodgrains increased from 54 million tons (in 1949-50) to 87 million tons (in 1964-65). Indian agricultural production, however, continues to be heavily dependent on the timeliness and quantum of the seasonal (monsoon) rains since irrigated land is less than a fifth of the total sown area and irrigation also depends in large measure on rainfall. In the current agricultural year 1965-66, India has suffered from the worst drought in 70 years. Foodgrain production is, therefore, expected to be no more than 75 million tons. Widespread famine and suffering are consequently threatened if adequate measures are not taken in time to meet the crisis.

- 2. In 1964-65, India imported 7 million tons of foodgrains mainly from the United States under Public Law 480. The total availability was, therefore, 94 million tons. Compared to this, the shortfall this year will be 19 million tons. On present indications of the extent of the food shortage, India wants to import from the United States 11 to 12 million tons for the calendar year 1966. The remaining gap will be met through imports from other countries and by restriction of consumption. This is being done by way of rationing in the urban areas, and a more equitable distribution of available food by internal procurement and a network of fair price shops in rural and urban areas.
- 3. The capacity of the Indian ports to handle imports of foodgrains has been estimated at 13.5 million tons per annum, the capacity being 0.9 million tons in each of the monsoon months (June, July and August) and 1.2 million tons each in the other months. There are no difficulties of internal transport.
- 4. The Indian Government has appealed to the U.N., the F.A.O. and the World Food Programme for emergency assistance in this situation in the shape of foodgrains, milk powder, freight, pesticides etc. It has also sent two Deputy Ministers of Food & Agriculture to a large number of countries in a position to help to ask them for assistance. The result of their efforts up to date is shown in the annexed statement.

- 5. The U.S. has so far authorized 3.5 million tons of wheat in FY 1966. All this will be completely shipped by mid February. Immediate further allocation is necessary if supplies are not to be interrupted. It takes six to eight weeks from a purchase authorization to the arrival of the grains in Indian ports.
- 6. The policies of the Indian Government in regard to agriculture, including the encouragement of the import and production of fertilizers, were discussed by the Indian Food & Agriculture Minister with the President and the Secretary of Agriculture. They were satisfied that these policies were sound and are satisfied that they are being followed.

.5 p. 1. Sep. 1.5 10 Dec.

Confidential

Statement 'A'

DECLASSIFIED

Authority State Hr. VIZ/78

By Ching. NARA, Date 4-28-09

INTERNATIONAL EMERGENCY FOOD AID TO INDIA

Aid Committed

Name of country/	Amount	Loan or grant	Commodities			
organisa- tion.	of aid (U.S.\$)		Wheat	Milk powder	Other commodities	
	رون و الله الله الله والله والله والله والله الله		(tons)	(tons)		
1	. 2	3	4	5	6	
		N.	E .			
1. CANADA	13.875 million	Grant	125,000 25,000 whea	ıt		
			flour	2950	Rapeseed 10,000 tons	
					Dry peas 4,000 tons	
ac no a fa			**			
2. AUSTRIA	1.00 million	Grant		Quantity	Pesticides and	
		1		not indicated	solls.	
*		B.	E 1			
3. **THE NETHERLAI	NDS 27,600	Grant		40 80	Baby food	
4. SWEDEN	1.32 million	Grant	••	4000	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	
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	1	2	. 3	4	5	6
5.	VATICAN	100,000	Grant	• • •	• • •	
6.	F.A.O.	2.7 million	Grant		7,300	· · · · · · · · · · · · · · · · · · ·
7.	W.F.P.	About 5 million	Grant	54,000		· · · · · · · · · · · · · · · · · · ·
8.	Greece	Not indicated	Grant	5,000		•••
9.	@Yugoslavia	•••	••	•••	***	•••
10.	+IRAN	****	••	•••	•••	•••
* 10	a i					and the state of t
	Total:	\$ 24.022 m.	*	209,000 tons	14,250 tons	

^{**} Also considering loan of 1 million Guilders (\$276,000) for agricultural project;

[@] Diversion 2 ships;

⁺ Diversion 1 ship.

Confidential
Statement 'B'

International Emergency Food Aid to India Aid under consideration

Name of Country

Remarks

1)	Argentine	Request under consideration.
2)	Australia	Request under consideration.
3)	Belgium	Likely to agree to provide some fertilizer
		on 10 year loan term and some milk powder as grant.
4)	Brazil	Request under consideration.
5)	Denmark	Considering 25-30 million/(\$ 3.5 to 4.25 million) interest free 20-year loan.
1	•	Commodities that may be supplied are milk powder and medicines; also possibility
		of some pesticides.
6)	France	Possibility of getting 10 million New Francs (\$ 2 million) for purchase of milk, milk products, infant food, fertilisers and pesticides.
7)	Italy	Request under consideration.
8)	Japan	Considering possibility of assistance on shipping and fertilisers.
9)	New Zealand	Present thinking indicates long-term credit for the purchase of milk powder.
10)	Norway	Possibility of providing super tanker for shipment of goods indicated. Offer under consideration.

Authority State 14r. V12/78

Bylc (Mg. NARA, Dar 4-28-04)

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	Name of Country	<u>Remarks</u>
11)	Switzerland	Request under consideration. Agreed to concessional arrangements to expedite utilisation of existing credit for grain handling equipment.
12)	Thailand ,	Request under consideration.
13)	United Kingdom	Have indicated would be prepared to help in respect of shipping, discharge equipment etc. U.K. expert has visited Indian ports.
14)	U.S.S.R.	Final reactions awaited.
15)	West Germany	Request under consideration.
8.		

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The Food Situation in India

Indian production of foodgrains increased from 54 million tons (in 1949-50) to 87 million tons (in 1964-65). Indian agricultural production, however, continues to be heavily dependent on the timeliness and quantum of the seasonal (monsoon) rains since irrigated land is less than a fifth of the total sown area and irrigation also depends in large measure on rainfall. In the current agricultural year 1965-66, India has suffered from the worst drought in 70 years. Foodgrain production is, therefore, expected to be no more than 75 million tons. Widespread famine and suffering are consequently threatened if adequate measures are not taken in time to meet the crisis.

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Statement 'A'

Authority State Str. 1/12/78

Byc rang. NARA, Date 4-29-04

INTERNATIONAL EMERGENCY FOOD AID TO INDIA

Aid Committed

Amount of aid (U.S.\$)	Loan or grant	Commodities		
		Wheat	Milk powder	Other
		(tons)	(tons)	
2	3	4	5	6
13.875 million	Grant	125,000 25,000 wheat		
		flour	2950	Rapeseed 10,000 tons Dryg peas 4,000 tons
1.00 million	Grant	••	Quantity not indicated	Pesticides and solls.
DS 27,600	Grant			Baby food
1.32 million	Grant	••	4000	/=
	of aid (U.S.\$) 2 13.875 million 1.00 million 05 27,600	of aid (U.S.\$) 2 3 13.875 million Grant 1.00 million Grant 0S 27,600 Grant	of aid (U.S.\$) grant Wheat (tons) 2 3 4 13.875 million Grant 125,000 25,000 wheat flour 1.00 million Grant	Amount of aid (U.S.\$)

	1	2	3	4	5	6
5.	VATICAN	100,000	Grant	•••	•••	•••
6.	F.A.O.	2.7 million	Grant		7,300	•••
7.	W.P.P.	About 5 million	Grant	54,000	•••	•••
8.	Greece	Not indicated	Grant	5,000	•••	•••
9.	@Yugoslavia	***		•••	•••	•••
10.	+IRAN	•••	••	•••	•••	•••
	Total:	\$ 24.022 m.		209,000 tons	14,250 tons	

^{**} Also considering loan of 1 million Guilders (\$276,000) for agricultural project;

[@] Diversion 2 ships;

⁺ Diversion 1 ship.

171 4

Confidential

Statement 'B'

International Emergency Food Aid to India Aid under consideration

Name of Country

Remarks

1)	Argentine	Request under consideration.
2)	Australia	Request under consideration.
3)	Belgium	Likely to agree to provide some fertilizer on 10 year loan term and some milk powder as grant.
4)	Brazil	Request under consideration. Danish Kroner
5)	Denmark	Considering 25-30 million/(\$ 3.5 to 4.25 million) interest free 20-year loan. Commodities that may be supplied are milk powder and medicines; also possibility of some pesticides.
6)	France	Possibility of getting 10 million New Francs (\$ 2 million) for purchase of milk, milk products, infant food, fertilisers and pesticides.
7)	Italy	Request under consideration.
8)	Japan	Considering possibility of assistance on shipping and fertilisers.
9)	New Zealand	Present thinking indicates long-term credit for the purchase of milk powder.
10)	Norway	Possibility of providing super tanker for shipment of goods indicated. Offer under consideration.

Authority State 1-tr. V12478

By C ring. NARA. Date 4-29-04

Name of Country Remarks 11) Switzerland Request under consideration. Agreed to concessional arrangements to expedite utilisation of existing credit for grain handling equipment. 12) Thailand , Request under consideration. 13) United Kingdom Have indicated would be prepared to help in respect of shipping, discharge equipment etc. U.K. expert has visited Indian ports. 14) Final reactions awaited. U.S.S.R. 15) West Germany Request under consideration.

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DEPARTMENT OF AGRICULTURE OFFICE OF THE SECRETARY WASHINGTON

February 2, 1966

I THORAMDUM

To:

The President

The White House

From: .

Orville L. Freeman

Secretary of Agriculture

Subject:

India -- Hehru Visit -- Talking Points

I. Following my visit to New York and the United Nations on January 18 and a return visit to my office by DeSeynes, U Thant's top assistant, it was agreed that a strongly worded appeal would be issued on January 31, 1966.

That appeal was not issued as agreed.

The delay resulted when the Indian delegation to the U.N. protested the language that we had cleared (see attached statement) claiming it would cause political repercussions for a new government facing a tense domestic situation.

Instead they recommended the following:

"The Secretary-Coneral has learned with much concern of the difficult food situation in India resulting from an unprecedented drought in the 1955-66 agriculture year. It is estimated that the shortfall in the production of food grains will be over 12 million tons. Emergency relief works have already started and it is expected that the distress will deepen during the next few months. The Secretary-General has been in touch with the Director-General of the Food and Agriculture Organization. He is happy to learn that several countries have responded to the Government of India's request for assistance to enable it to tide over the present situation. He hopes that assistance will be fortheoming in abundant measure from all countries which are in a position to help. He has asked the FMO and other specialized agencies to render all possible assistance.

"The Secretary-General will continue to be in touch with the Director-General of the FAO and with the Government of India in this matter." In our judgment this is so bland that it will do more harm than good.

The President may want to urge that Nehru clear the initial language, which has now been sent to New Delhi by the United Nations plus the following final paragraph:

"In order to stimulate an immediate response communicate with the grants of the situation and the capability of member countries, pledges will be recorded and announced periodically by the Secretary General."

A strongly worded world-wide appeal by U Thant simultaneously with your food aid mossage would serve a useful purpose in getting other countries to share the burden of the Indian crisis.

II. Shering formula

Countries other than the United States should bear a fair proportion of the food shortage faced by India as a result of the current famine threat. The draft food aid message includes strong language on this score.

The response of other countries so far to India's appeal for help has been disappointing.

A statement by the President that the United States is propared to meet a fair share of India's needs provided that the rest of the world does the right thing would stimulate India to greater effort and challenge the rest of the world.

Our current thinking on a possible formula follows. Here work on this is under way as you directed in our phone conversation this morning. I am not prepared now to make any firm recommendation on an exact formula. The following possibilities are advanced as a backgrounder at this time.

(1) That the U.S. will make available 7 to 9 million tons of the 11 million ton estimate of import needs (we estimate there are about 7 million tons of uncommitted wheat available in the free world outside the U.S., mostly in Canada, France, Argentina and Australia) provided that the other 2 to 4 million tons come from other sources. Countries without wheat should contribute to India in other food or shipping, or egriculture inputs such as forbiliser. If the value of such contributions by other countries encodes the value of such the dillion tons of wheat, the U.S. will match it with wheat dollar for dollar (11 million tons of wheat has an estimated value of \$660 million).

3-The President

(2) That the U.S. provided 50 percent of the World Food Program contributions; we have about 2/3rds of the world's uncommitted supplies of food grains. In this emergency, we will do even more than we do in the World Food Program as our part of a concerted response by the community of nations. But we are waiting to announce our contribution until we see what other countries are willing to do.

Sir:

The Government of India have asked me to support the request they have made to a number of countries for assistance in the grave food emergency which now faces the country. I have been in close touch with the Director-General of the Food and Agriculture Organization, and we wish to make this joint appeal to your Governments.

India had two successive bad crops in 1962 and 1963, and was visited by the worst drought in recent history in 1965, which had a disastrous effect on the last summer crop and the winter crop yet to be harvested. The New Year has therefore started with a serious shortfall in stocks with the result that India now faces a grave emergency. Estioning has been introduced in all cities with a population of over 100,000, and a nationwide movement to economise on food consumption by adults is being actively pursued.

Seven large states have been severely hit. The total population in the worst affected areas is about 110 million of whom at least 10 million are expected to be placed on emergency relief works. 15 to 20 million children (1 to 14 years) are in

a specially vulnerable position. It is expected that the present crisis, which is already assuming famine proportions, will progressively worsen during the next few months. The position cannot be expected to improve before the and of the year and can only do so then if the harvests are favourable.

The Director-General of FAO has been able to authorize some limited quantities of dried skimmed milk and wheat from the resources of the World Food Programme. However, the needs are vastly greater than can be met from such resources. The present estimates of needs can be summarized as follows:

- (a) Grain imports to meet a deficit of 10 to 15 million tons.
- (b) The drought has not only resulted in widespread crop failure, but has also struck at the livelihood of 70 per cent of the total working force in the country engaged in agriculture. Relief measures would, therefore, have to be organized in the areas of intense distress. The specific requirements for the relief programme are 2.4 million tons of cereals and 12,000 tons of edible oils.

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- (c) Special attention has to be paid to pre-school children and expectant and nursing mothers in order to ensure that malnutrition does not result in permanent damage to this most vulnerable section of the population. 130,000 tons of milk powder and 2,100 million multi-vitamin tablets will be required for this programme.
- (d) All efforts will have to be made to provide sufficient inputs, particularly fertilizers, so that the next year's crop is ensured. Arrangements have already been made to import 825,000 tons of mitrogen for the 1966 crop. An additional requirement for 175,000 tons valued at about 848 million has to be met.
- (e) Sufficient shipping capacity must be secured for the large quantities of foodgrains to be moved into India during the findial current year. In view of our very difficult foreign exchange situation this shipping would need to be provided either free or at favourable terms.

We wish to make a joint appeal to all countries which are in a position to help, in the conviction that the world community

o P realizing the gravity of the situation and international responsibility to relieve hardship, will do everything in its power to avert the threatened mass human suffering. The Government of India has indicated that assistance in the following forms would be welcome:

- (1) Gifts of wheat, tice and millet; other foodstuffs, especially milk products, animal and vegetable oil, etc.; and of agricultural
- supplies including fertilizer, pesticides and other needed of food grains and other needed fertilizers;
- (3) Monetary assistance for meeting freight charges for increased food imports in the current emergency;
- (4) Assistance in transport of food consignments;
- (5) Grain-handling equipment at ports and other places.

We understand that consultations are under way in New Delhi between the Indian Government and the Covernments of a number of dence and;

A potential donor countries with a view to facilitating early and effective action. We shall follow the results of these consultations with the closest attention and earnestly trust that a generous response will be forthcoming from all countries which may be in a position to provide assistance.

We hope these countries will indicate to the Government of India at the earliest possible date the kinds and amounts of assistance they are able to provide. We are prepared to extend our full cooperation to the Gov't of India and the Governments to which we address this appeal.

The need is urgent and the time is short.

Wednesday, February 2, 1966 5:45 p.m.

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MEMORANDUM FOR THE PRESIDENT

FROM:

Henry H. Wilson, Jr.

I have conferred with Larry O'Brien on suggested Members of Congress for purposes of your meeting on Food for India. We have revised the list slightly and we suggest that the following Members be invited:

Senate	House		
Mansfield	McCormack		
R. Long	Albert		
Hayden	Morgan		
Ellender	Mahon		
Fulbright	Cooley		
Russell (Ga.)	Whitten		
Sparkman	Poage		
Aiken	Mrs. Bolton		
Hickenlooper	Dague (Pa.)		

We deleted Passman from your suggested list and substituted Whitten, in that Food for Peace appears before the Agriculture Subcommittee for appropriations, rather than before the Foreign Operations Subcommittee.

We felt that Senator Hayden should be invited to balance off Mahon.

We felt that Cooley as Chairman of the authorizing Committee, and Poage as Chairman of the authorizing Subcommittee, should be invited. We felt there should be Republican representation from both Houses.

In that Hickenlooper and Aiken are the ranking Republicans respectively on the Foreign Relations and Agriculture Committees, we suggest Mrs. Bolton and Dague as ranking Republicans on the Foreign Affairs and House Agriculture Committees.

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<u>Confidential</u>

Statement 'B'

International Emergency Food Aid to India

Aid under consideration

John

Name of Country

Remarks

1)	Argentine	ii ii	Request under consideration.
2)	,Australia		Request under consideration.
3)	Belgium		Likely to agree to provide some fertilizer on 10 year loan term and some milk powder as grant.
4)	Brazil		Request under consideration. Danish Kroner
5)	Denmark		Considering 25-30 million/(\$ 3.5 to 4.25 million) interest free 20-year loan. Commodities that may be supplied are milk powder and medicines; also possibility of some pesticides.
6)	France		Possibility of getting 10 million New Francs (\$ 2 million) for purchase of milk, milk products, infant food, fertilisers and pesticides.
7)	Italy		Request under consideration.
8)	Japan		Considering possibility of assistance on shipping and fertilisers.
9)	New Zealand	٧٠	Present thinking indicates long-term credit for the purchase of milk powder.
10)	Norway	المراب ال	Possibility of providing super tanker for shipment of goods indicated. Offer under
Authorn	DECLASSIFIED	78	consideration.

Name of Country

Remarks

11)	Switzerland	Request under consideration. Agreed to concessional arrangements to expedite utilisation of existing credit for grain handling equipment.
12)	Thailand ,	Request under consideration.
13)	United Kingdom	Have indicated would be prepared to help in respect of shipping, discharge equipment etc. U.K. expert has visited Indian ports.
14)	U.S.S.R.	Final reactions awaited.
15)	West Germany	Request under consideration.

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DEPARTMENT OF AGRICULTURE OFFICE OF THE SECRETARY WASHINGTON

February 1, 1966

MEMORANDUM

To:

The President

The White House

From:

Orville L. Freeman

Secretary of Agriculture

Subject:

India Food Grain Survey Team Report

I. The India Food Grain Survey Team has returned to the United States and filed its report. This technically competent, hard working group in whose professional judgment I have confidence was headed by C. R. Eskildsen, Associate Administrator, Foreign Agricultural Service, U. S. Department of Agriculture. It included from the United States Government representatives from AID, the Maritime Administration and the U. S. Department of Agriculture. A representative from the United Nations, FAO and from the United Kingdom, the bulk grain discharging officer of the Port of London Authority, completed the survey team.

They visited six of the seven major ports on both coasts of India and three scarcity areas in the interior. They traveled about 7,000 miles by special plane and automobile. They were received by and interviewed ranking national officials, including the Minister of Food and Agriculture, and also scores of national and state ministers and chief executives. In addition, knowledgeable Indians and Americans with long Indian residence were interviewed in depth.

- II. The report filed by the team is lengthy. The conclusions are summarized herewith for your convenience.
 - A. Magnitude of the crop short-fall caused by the drought.

It was concluded that the estimate of 76 million tons of food grain production in 1966 made by the Indian Government was the best working estimate to use. That is 12 million tons less than the 88 million ton domestic production of 1965. The request of the Government of India for 11 million tons of food grains from other countries was accepted by the team as a "bare bones minimum". It is based on a draw down of the per capita intake of cereal grains to 175 kilograms from the 197 kilograms



consumed per capita in 1965, or 7 percent below the 5-year average. At this level the team calculates there will be severe hardship. There will be reports of starvation. The ingenuity of the Government of India will be taxed to distribute such a short supply on an equitable basis and maintain order. It will require continued rationing and more belt tightening as spring harvested crops are used up. The masses of people are only now beginning to realize the gravity of the situation with resulting political unrest and rioting which it is estimated will get progressively worse as the year goes forward. It is planned that the Central Government will procure 1 1/2 million tons of food grains with the State procuring 2 1/2 million tons. Relief work projects are planned in areas suffering a 50 percent crop failure. Special feeding programs for women and children will depend upon the availability of food supplements, particularly dry milk solid. Maximum prices will be fixed. Imported grain and domestically procured grain will be distributed through more than 109,000 state licensed fair price shops. It will be a tough year for India but with 11 million tons of grain from the outside to help, the team found confidence that the Government of India could get by and maintain relative stability.

B. Scheduling arrivals.

The ll million ton outside procurement figure coincides with earlier estimates. The team recommends, however, that the arrival targets which had previously been set at a million tons per month until the monsoon be revised to 1.2 million tons in April and May preceding the monsoon when port capacity will fall to 900,000 tons per month. This accelerated schedule is reported necessary to maintain sufficient stocks for the Government to operate its emergency distribution program. Even at that import level it is estimated that stocks will fall to 314,000 tons in August. At that low figure the team estimates it will be extremely difficult for the Government to operate its distribution system. Anything less than that and the Government might very well lose control of the situation.

C. Port capacity was estimated to be 1.2 million tons per month. This estimate is higher than we had earlier calculated. It is the product of the improvements installed and the experience

3--The President

gained by the Indian Government in the last 1 1/2 years. The team reports that this level can be maintained provided that the following steps are taken:

- 1. That a port expediting team be organized to be headed by a first-rate U.S. port administrator to be joined by the special representative of the U.S. Department of Agriculture I have placed in New Delhi and a ranking member of the Indian Food Ministry. This team will operate as roving trouble shooters directly responsible to the United States Secretary of Agriculture and the Indian Food Minister Subramaniam.
- 2. Additional grain handling equipment in modest amounts is made available. There is reason to believe the British will release nearly half of the needed equipment immediately and AID in New Delhi is currently working out means with the Government of India to finance the remainder.

III. Internal Storage and Distribution Capacity

The team reports that the current generally low level of economic activity in the country, particularly the modest general cargo imports due to import controls and the lack of AID financing, has made additional rail and truck capacity available for food grain imports. They estimate no insuperable problems in moving grain from the ports to the interior. Further, the team found adequate storage space in the Government hands to handle grain which at a ll million ton import level will move swiftly from ship to internal distribution point.

- IV. The following points are added to this summary of the Team Report to bring the President up to date on the India situation.
 - 1. As reported in my logistic memorandum of January 21, lead time between grain allocation and ship loading has been sharply cut by moving grain into position and booking ships in advance. The 1 million ton arrival target from United States and other country sources for March can be reached if an allotment is made this week. Otherwise we will fall behind that target and there will be empty ships booked by the Indian Government awaiting grain.

4-The President

- 2. There has been very little change in the contributions by other countries since the list I submitted with my memorandum of January 26. The combined contribution of all countries making commitments thus far is still very small.
- nt the
- 3. A <u>U.N. world-wide appeal</u> and an <u>International Pledging</u>
 <u>Conference</u> are planned. The exact language of the appeal
 and the location and procedure to be followed by such a
 Conference are not yet clear.
- 4. It is reported that Minister Subramaniam is carrying out the commitments he made to us. The long term agricultural program steps agreed to are being carried forward actively.

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Statement 'A'

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By Clang. NARA. Date 429-07

INTERNATIONAL EMERGENCY FOOD AID TO INDIA

Aid Committed

Name of country/	Amount	Loan or grant	- 1 N 2 N	Commodities	
organisa- tion.	of aid (U.S.\$)		Wheat	Milk powder	Other commoditi
	8		(tons)	(tons)	ŧ,
1	2	3	4	5	6
,			Ka ježini je		· Company
. CANADA	13.875 million	Grant	125,000 25,000 wheat		
			flour	2950	Rapeseed 10,000
					Dry peas 4,000
		*			tons
		*		÷	
. AUSTRIA	1.00 million	Grant		Quantity not indicated	Pesticides and solls.
.**THE NETHERLAN	DS 27,600	Grant	••, • •	и и	Baby food
. SWEDEN	1.32 million	Grant		4000	/2/

1	2	3	4	5	6
5. VATICAN	100,000	Grant	•••	•••	•••
6. F.A.O.	2.7 million	Grant	•••	7,300	•••
7. W.F.P.	About 5 million	Grant	54,000	•••	•••
8. Greece	Not indicated	Grant	5,000		• •••
9. @Yugoslavia	•••	••	•••	•••	•••
10. +IRAN	•••	••		•••	•••
Total:	\$ 24.022 m.		209,000 tons	14,250 tons	

^{**} Also considering loan of 1 million Guilders (\$276,000) for agricultural project;

Diversion 2 ships;

⁺ Diversion 1 ship.