

'Annoyed' India OKs U.S. Wheat Offer

By JOHN W. FINNEY

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WASHINGTON—The United States has offered India 500,000 tons of surplus wheat as a stop-gap measure to meet Indian food needs through this fall.

With some annoyance, the offer has been accepted by the Indian government, and details of the interim Food - for - Peace agreement are being negotiated in New Delhi.

Behind the Indian annoyance is a feeling that the United States is being niggardly in its offer, which is only enough to meet Indian food needs for 25 days, and that by doling out the food on such a short-term basis his country is attempting to use the food shipments for political purposes.

Despite misgivings over the

American political motivations, India had no alternative but to accept the offer, for without the additional shipments it would have begun to run short of wheat by the end of October.

Publicly officials deny any suggestion that the United States is using the Food-for-Peace program for political purposes in the Asian subcontinent. But privately officials acknowledge that food has become one of the important political levers available to the United States for influencing relations between the two countries and with this country.

It was a lever that the administration had started to apply even before the outbreak of the Pakistan-Indian war and then turned even harder to help bring an end to the hostilities.

President Puts Price Tag On Aid

By PHILIP POTTER

(Washington Bureau of The Sun)

Washington, Oct. 20—President Johnson today put a price tag on future foreign aid outlays—solid evidence that it is going to be used by recipients "to bring major and far-reaching benefits to their people."

The President, signing into law the \$3,218,000,000 foreign aid appropriation bill for the current fiscal year, served notice on leaders of India, biggest aid recipient, and those of the smallest beneficiary that:

"Action, not promises, will be the standard of our assistance," hereafter.

"Not Apologies . . ."

"Accomplishments, not apologies, are what the American people expect from their desire to help others help themselves."

The President, recuperating in Bethesda Naval Hospital from a gall bladder operation, gave emphasis to his determination by

calling to a meeting there Dean Rusk, Secretary of State, Robert S. McNamara, Defense Secretary, and William Gaud, deputy director of the Agency for International Development, to tell them they would be primarily responsible in administering the funds to give credence to actions and not promises of basic social reforms.

The statement he issued said the act was proof of the stark fact that a majority of the world's people are living in desperate need and of the "simple fact that Americans are not going to sit idly by while others suffer."

Compassion Shown

Mr. Johnson said American compassion had been convincingly demonstrated by the fact that of the \$135,000,000,000 in foreign aid invested by the free world since World War II, the United States had contributed \$115,000,000,000.

"But compassion is not enough," Mr. Johnson said. "While our wealth is great, it is

not unlimited. It must be used not merely to apply band aids to superficial wounds, but to remove the causes of deeper and more dangerous disorders.

"That is why I do not intend for American aid to become an international dole," he said. "The Congress of the United States does not want that. The people of this country do not want that. The people who benefit from our assistance, I am sure, do not want that."

"Our assistance must and will go to those nations that will most use it to bring major and far-reaching benefits to their people."

"It will go to those willing not only to talk about basic social change but who will act immediately on these reforms. As I discharge my responsibilities under this act, I will look not simply to the act of an agreement that points toward reform but to action already taken to bring reform to fruition."

The President said he had every intention of fulfilling the pledge he made when submitting his request to Congress that the money would be "used wisely and effectively and in keeping with our own national interests."

Mr. Johnson said he also would make certain that every dollar spent would be consistent with efforts to improve our balance of payments position because if the dollar loses its strength "no amount of foreign aid will in the long run prove helpful to anyone anywhere in the world."

He explained that Congress had voted all but 7 per cent of his request, making the smallest cut since the beginning of the Marshall Plan.

Mr. Johnson's words were addressed to all aid recipients alike but they obviously had especial pertinence for India, which is lobbying hard here for early resumption of economic aid and for a new long-term agreement on Food for Peace shipments.

Military aid to India and Pakistan was abruptly cut off and new economic aid commitments were held up pending further Administration consultation with congressional leaders when the two countries in September engaged in sharp armed conflict, since substantially curbed by a United Nations cease-fire that still is regarded as fragile and has yet to be implemented in full.

Mr. Aid

Food shipments have been continued to India at the rate of half a million tons monthly since the last long-term agreement ended last June 30, while the United States sought substantial evidence that the New Delhi Government would come to grips with problems of a moribund agriculture that falls short of keeping up with a population explosion.

The Indian press and some Indian politicians have ignored the fact that the dialogue about this issue began last June, long before the August-September flare-up of the Kashmir dispute, and have chosen to suggest that we are holding up a new long-term food agreement as a club to force concessions from India on that disputed territory in the Himalayas.

Mr. Johnson sought in his statement today to put the United States reluctance to enter into further long-term commitments under the P.L. 480 law for disposal of agricultural products and under the Aid Program in its real perspective—that it is hinged on performance in nation-building instead of promises.

General Belief

The general belief in Washington is that India, by and large, has made effective use of economic aid loans and grants for development of its industrial plant, but that instead of dealing with agriculture in any effective way has used our Food for Peace wheat and rice as a "crutch."

Since 1951 when a first \$190,000,000 wheat loan was negotiated with India after a sharp Senate debate, the United States has delivered about 20,000,000 tons of wheat alone to that country.

The last big agreement was signed in 1960 for a 4-year program entailing the shipment of 16,000,000 tons of wheat and 1,000,000 tons of rice, the then Indian Agricultural Minister, S. K. Patil, promising steps to improve In-

dia's own agricultural output that never were taken.

A new one-year agreement for shipment of 4,000,000 tons of wheat and 350,000 pounds of rice was made a year ago, running through June of this year. Amendments to maintain a flow of 500,000 tons monthly have twice been made this summer for a total of 1,500,000 tons and another addition is in the mill, possibly covering a longer period.

But the United States, disillusioned with experience in the 1960 four-year agreement and concerned that continued reliance on our food as a crutch will eventually strain our productive resources, wants to see solid evidence that New Delhi is facing up to the agricultural problem.

Awaited are more realistic efforts to jack up sadly deficient fertilizer production, better seed production, better use of irrigation, better food distribution and better credit facilities for farmers.

Prime Minister Lal Bahadur Shastri, who like Pakistan's President, Ayub Khan, is expected here within the next two months for long delayed visits with President Johnson (in Shastri's case his first visit to the United States and meeting with its Chief Executive) has recently been talking of making India self-reliant in food output within five or ten years.

His new Agricultural Minister, Subramaniam, who performed excellently in spurring India's iron and steel output, has also plugged the cause of agriculture and there is promise that in India's fourth five-year plan, beginning next year, it will be treated as the basic underpinning of the entire Indian economy.

India was one of the first to

pioneer planning in the new countries emerging after the war, but its plan architects were city and not farm boys, with their sights set on development of heavy industry rather than improvement of farm output.

Washington is greatly pleased by the new stress laid on agriculture by Shastri and Subramaniam, but is awaiting specific details on what is proposed to be done before it decides what we can do to help the progress all admit is needed. Continued food shipments will be made as needed to prevent starvation in the interim.

A start was made last year with the development of a comprehensive floor support program for staples and a new Food Corporation of India, initiated to provide management for central procurement to overcome difficulties occasioned by gluts in one state and shortages in another.

No Intention To Dictate

But much remains to be done, particularly in fertilizer production, growing at a pace possibly a tenth of what is necessary to keep pace with mounting population. Birth control efforts, too, need new impetus and more Government support.

There is no intention in Washington to dictate India's moves to deal with these problems, nor to use our aid in food or otherwise to extort a solution to the Kashmir dispute to our liking.

Realistically, it is all but taken for granted in this capital that India, for instance, is not going to grant the Kashmir plebiscite Pakistan demands, although it is hoped New Delhi will show some initiative for a political settlement to end the recurring prospect of combat between the two nations sharing the subcontinent.

India's Parliament Vents U.S. Food Aid Frustration

By JAMES S. KEAT
[New Delhi Bureau of The Sun]

New Delhi, Nov. 12—Parliament vented its frustrations over continued dependence on United States food aid today but rejected a Communist attempt to embarrass the Indian Government on that score.

The lower house of Parliament adopted a resolution vowing to "make the country self-sufficient in food grains" so as to "progressively curtail and ultimately stop" imports of surplus American wheat.

Partisan Politics

The real issue in the two-hour debate, however, was not the substance of rival Government and Communist resolutions but partisan politics.

Although the Communist resolution which touched off the debate was handily defeated by the Government majority in a sparsely attended house, most of the sentiments expressed on both sides showed little disagreement.

Only two speakers, one from the ruling Congress party and the other from the Conservative Freedom party, gave their unqualified support to the Food Minister Chidambra Subramaniam.

Might Have Been Adopted

The others, including two from the Congress party, criticized the Government's continued dependence on the American wheat in order to keep the population fed on a subsistence level.

Actually, if the Communist resolution had not come from the opposition side of the house, it might easily have been adopted. It simply declared that "continued dependence" on American food imports "is derogatory to our honor and injurious to our economy."

As such, the resolution reflected a widely held view among members of Parliament from all parties. The latter portion about injuring the Indian economy would also find support among

American officials who believe the stream of American wheat has enabled the Indian Government to put off necessary measures to increase domestic production.

Political Fears Cited

But the root of the unease here over the food aid is not so much its economic implications but the still prevalent fear that political strings will be attached to continued food supplies from the United States.

Hiren N. Mukerjee, the Communist leader who sponsored the resolution, hammered hard at the argument that American food aid is a tool of American foreign policy. He quoted American congressmen and officials to bolster his point.

Only Subramaniam touched on this point in replying to Mukerjee. He said continued food aid would not be accepted if political conditions were attached.

Called "Dangerous"

He said India's dependence on American wheat was "dangerous" because the supply could suddenly dry up.

The three-month longshoremen's strike last year in the United States cut off supplies, as could a drought or similar calamity in the United States, Subramaniam said.

One of his critics from the Congress benches, Mrs. Tarkeshware Sinha, a former Deputy Finance Minister, praised the United States for its aid but said its "clumsy" methods lost it most of the credit for its actions.

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Indian Food Minister Worried by U.S. Aid Policy

**'Puzzled' by the Refusal of
Long-Term Agreement**

By J. ANTHONY LUKAS

Special to The New York Times

NEW DELHI, Nov. 16—In Parliament today, a legislator said India did not want American wheat because it "stinks."

Once again, Chidambaram Subramaniam, the Food and Agriculture Minister, rose to defend American wheat and American policy. The wheat does not stink, he explained, and it would be "foolhardy" to think India could get along without it.

For the last two weeks, Mr. Subramaniam has been patiently fending off opposition demands that India repudiate American aid and the "strings" that allegedly go with it.

However, in the privacy of his office, the suave lawyer from Madras voices deep concern over the results of American aid policy.

In an interview, Mr. Subramaniam said he was "puzzled" by the continued refusal of the United States to sign a new long-term agreement for supply of surplus food grains and by its suspension of new funds for India's agricultural development program.

Mr. Subramaniam noted that United States officials had said that the month-by-month dole of wheat and rice was designed to prevent India from using these grains as a crutch and force her to make more rapid progress on agricultural development.

"I recognize what the United States is trying to do," he said, "but all I can say is that at the moment the American policy is producing just the opposite results."

The Minister makes no effort to blame Washington for India's growingly acute food shortage, which is due largely to weather conditions and chronic shortages of fertilizer, irrigation and pesticides.

However, he said American policies were making it much harder for him to get at the "roots of the problem."

"I am so busy trying to meet the immediate crisis these days that I have little time left over for the more fundamental, long-range problems," he declared.

Leaning back in his chair under a photograph of Mohandas K. Gandhi, Mr. Subramaniam said he was confident that the United States would continue shipments of surplus food grains and that eventually it would again sign a long-term agreement.

"However, what I think is beside the point," he added. "It is not a question of individual judgment. I can't make a plan on the basis of my judgment alone. The country expects me to draw up a plan which will work if America cuts off her food shipments tomorrow."

"That means I am spending most of my time these days on managing scarcity—drawing up



Chidambaram Subramaniam

**But He Fends Off Deputies
Criticizing Washington**

so badly," the Minister said. "Now we don't know when and if we will get the money."

The lack of rain has ended hopes for another big harvest. Last year's record food-grain harvest totaled 88 million tons but Mr. Subramaniam now will not predict anything over 80 million.

This is what the country produced in 1963-64 when many areas of India experienced near-famine. The country's population has grown by more than 20 million since then.

Mr. Subramaniam said that despite the looming shortages India could avoid major food riots this winter by intensive Government procurement and distribution combined with rationing.

Rationing is scheduled to begin in the country's eight major cities with population over one million by Jan. 1.

By next May, Mr. Subramaniam says, he hopes to extend this to about 114 other cities, with a population of more than 100,000. Observers here are doubtful that this can be done.

LBJ Acts to Help India, Pakistan Get More Food

BY OSCAR GRIFFIN
Chronicle Reporter

LBJ Ranch — President Johnson will get down to cases today with two Cabinet officers on the mounting problem of providing food for India and Pakistan.

He will discuss the issue, which he is known to view with alarm, with Secretary of State Dean Rusk and Secretary of Agriculture Orville Freeman.

Secretary Freeman returned Tuesday from a Rome meeting of the Food and Agriculture Organization, a United Nations agency, and Mr. Johnson requested the meeting, with Rusk in attendance.

The President, Rusk and Freeman presumably will use the time today to settle the United States position on supplying grain to the sub-continent before Pakistan President Ayub Khan visits the Chief Executive later this month.

Freeman sent several cables to Mr. Johnson from the Rome meeting, and these interested the Chief Executive so much he asked the agriculture secretary to join him and Rusk at the ranch, where he is recuperating from an Oct. 8 gall bladder operation.

Mr. Johnson, it is known, has come to the conclusion that a "new look" must be addressed to United States aid programs to both India and Pakistan because of the two countries' hostile relations to each other—and Pakistan's increasingly cordial relations with Communist China.

The President will have his



ORVILLE FREEMAN
At LBJ Ranch

first chance to tell Ayub Khan of his sentiments when the Pakistani president visits on Dec. 14 and 15.

Mr. Johnson hopes to meet with Indian President Shastri in January for a similar discussion.

Indian demand for U.S. wheat has risen from 3 million tons in 1961-62 to more than 6 million tons this year. Mr. Johnson believes that by 1975 India may be short of food in the amount equivalent to the whole wheat crop harvested in this country.

Although similar figures for Pakistan are not available, the United States already has invested almost \$10 billion in food and other aid to the sub-continent.

This aid has had "equivocal results," an official said.

India is by far the largest recipient of American aid, and Mr. Johnson is known to be deeply troubled by that country's staggering agricultural problems.

He also is deeply distressed over the outbreak of hostilities between India and Pakistan over Kashmir last August, and he believes a face-to-face confrontation with Ayub Khan and Shastri may further the cause of peace.

Although Mr. Johnson spent much of his time worrying over the South Asia problem, he took time Wednesday to approve a memorandum that will reduce civilian federal government employees by about 25,000 during fiscal year 1967, which begins July 1.

The memo was issued by budget director Charles Schultze to heads of federal departments and agencies.

The positions will be reduced through retirements, which are expected to jump under the new federal retirement law that upped retirement pay about 8 percent for many employees.

No firings are expected.

Departments and agencies with fewer than 1000 employees were ordered to cut their number of workers by 1 percent, while departments and agencies with more than 1000 employees were told to cut their staffs by 1 1/4 percent.

"In reaching the new and lower ceilings (for number of employees), maximum emphasis should be put on abolishing positions vacated by retirements and the assignment of vacant positions to activities to approved increases in work load," Schultze told the federal supervisors.

There are about 2.5 million civilians now employed by the federal government.

Freeman Briefs Johnson About India's Food Crisis

By PHILIP POTTER

(Washington Bureau of The Sun)

Washington, Dec. 2—President Johnson was told today that India faces a crisis as a result of drought that could mean a shortage of from 11,000,000 to 14,000,000 tons in cereal grains, about double the amount of wheat the United States is now providing India annually under Food for Peace programs.

The report was brought to the President at his ranch near Austin by Orville Freeman, Secretary of Agriculture, who with Dean Rusk, Secretary of State, spent four hours with the Chief Executive before the pair returned to Washington.

Freeman gave out no figures on the shortage to newsmen who questioned him briefly at the Bergstrom Air Force Base at Austin after his session with Mr. Johnson, but his associates here fear the estimate produced yesterday in the Indian parliament by Chidambaram Subramaniam, Indian Food and Agriculture Minister, was very much on the low side.

Opening a three-day debate on the famine conditions in various parts of the country, Subramaniam said he could not predict a total harvest of more than 80,000,000 tons of food grains (principally wheat and rice), compared to last year's yield of 88,500,000 tons.

Even a shortage of 8,500,000 tons or 316,000,000 bushels would put a severe drain on the United States Government stocks of surplus wheat, were this country to endeavor to meet the entire need. As of November this year these stocks were down to 736,000,000 bushels, not much over United States annual consumption estimated at about 600,000,000 tons. It is generally held that United States strategic reserve should be of this magnitude.

Freeman gave newsmen no inkling of the President's plans in respect to meeting India's needs.

Announcement Due

Asked if this country can provide India with its needs, he replied in the affirmative, but declined to say whether this meant the nation would.

"In due course the President will make an announcement," Freeman said.

"We have adequate and comfortable food reserves to meet any contingencies," he went on, "and can produce more very quickly. We (meaning the United States) don't have shortages. The top-heavy surpluses, both useless and costly, have been cut back to workable levels, except for cotton."

Freeman acknowledged that in Rome recently as President Johnson's chief delegate to a United Nations Food and Agriculture Organization conference, he had had discussions with Subramaniam and the agriculture ministers of Pakistan and Latin America, also heavy claimants on American Food for Peace, and reviewed with them their food situations "and how this country and the FAO can be more useful in helping them."

Plans Not Told

But he declined to tell of any presidential plans along this line, saying he had simply reported his findings at Rome to Mr. Johnson "for the careful, thoughtful and searching analysis he is making as we think through some world food and produce programs."

Freeman said the President for some time has "been considering how we can perform more effectively than in the past and can assist other nations help themselves as well as strengthening our own agriculture."

In this connection, Freeman said the FAO "is growing stronger and in the future will take an increasingly important part in world food matters."

Mr. Johnson, it was understood, had almost been persuaded two weeks ago by various top officials dealing with food problems to put out a statement calling for a new emphasis, making food a more central part of the whole American effort to promote development abroad and linking such aid more directly with programs to make recipient countries self-sufficient.

Awaited Report

He held off at that time informed sources said, because he wanted to wait for Freeman's report of his talks with Subramaniam and the food ministers of other countries getting our Food for Peace aid.

Subramaniam presumably discussed with Freeman some of his own plans to rejuvenate Indian agriculture, an area too long neglected while the New Delhi Government concentrated on industrial development.

The Indian Food Minister is expected to lay out these plans before parliament within the next day or two and there will be keen interest in the American administration as to their adequacy in matching a rapid population growth and as to the degree of support Subramaniam gets from key figures like Prime Minister Lal Bahadur Shastri and the Finance Minister, T. T. Krishnamachari, who is responsible for allocation of India's scarce financial resources.

Not A "Crutch"

Mr. Johnson has no intention of trying to write India's agricultural program, but he has made it clear that future American economic and Food for Peace assistance to that country must not be a "crutch" but an incentive to self-help.

He feels neither India nor United States' performance in past aid to that country took adequate consideration of the need to vastly expand India's own farm output.

Heartened by India's success in establishing political democracy, he would like to see as much progress in conveying modern agricultural techniques to its farmers, through establishment of such institutions as American land grant colleges with extension services carrying help to every farm. He is fully prepared to help in this by financing ties between land grant schools and similar institutions in India.

Meanwhile, despite the President's hope that we can step up the world-wide shift of Food for Peace program emphasis from sales of United States food for "soft" local currencies to sales which though made on long term credit arrangements provide for payment in dollars, it is regarded here as unlikely that that stage has been reached in India or Pakistan.

Both have been getting large amounts of dollar aid for development as well as huge tonnages of agricultural surpluses, and while the United States is providing both, it obviously is meaningless to seek repayment for food in dollars.

It is true that unconvertible rupees have accumulated in staggering amounts, despite the loan of many millions back to the Indian Government to finance local costs of development programs. But dollar repayment for United States food is not yet in the cards in India.

Less Food, More Thought

The other day President Johnson gave reporters a preview of some new thinking on foreign aid. It was inspired, no doubt, by the need to come to a decision on pending requests from India, Pakistan and the United Arab Republic.

The President noted that the United States has invested about \$10 billion in food and other aid to India and Pakistan, for which we have received "equivocal results"—which is a euphemism for nothing or less than nothing. Pakistan, angry because we had helped India defend itself from Red Chinese aggression, began flirting with Peking in a transparent and foolish attempt to frighten Washington. India, having secured more than 20 per cent of the American wheat crop, began bidding for still more of it, at bargain basement prices. At the present rate of increased dependence on the United States, India would require our entire crop by 1975.

That came as something of a shock. Not only did India resent our attaching political strings to our food (such as making the scandalous suggestion

that India negotiate a fair and peaceful settlement of its dispute with Pakistan over Kashmir), but it also was settling down to the status of a long-term dependent of the United States.

And this at a time when our surplus stocks of food are declining and we have discovered that we have a good many needy here at home, as well as abroad, who need U. S. economic aid.

The result has been a change in foreign aid policy which can be seen for the first time in the new agreement being negotiated with the United Arab Republic. It may be premature to conclude the agreement with Cairo (its international behavior is still far from exemplary), but the intention to put our food shipments on a short-term rather than a long-term basis and to make part of the supply payable in dollars seems to be a move in the right direction. These new terms presumably will also be applied to India and Pakistan and will be presented to their leaders when they visit President Johnson in the near future.

President looks hard at aid

President Johnson is making foreign aid an increasingly powerful weapon in his diplomatic arsenal.

For example, two weeks ago we rejected Ghana's \$100 million Food-for-Peace request—reportedly because of President Kwame Nkrumah's anti-American accusations in his recent book.

On the other hand last week the President authorized negotiations for resuming surplus grain shipments to the United Arab Republic, whose President Gamel Abdul Nasser not so long ago harshly invited the United States to "go drink from the sea." Presumably, Nasser has since changed his mind.

Now President Johnson has let it be known that the resumption of large-scale aid shipments to India and Pakistan will depend on several things.

For one, the President would like to know more about those two nations' commitment to peace on the Indian subcontinent, that is, how willing are they to resolve their long dispute over Kashmir.

He also would like to see greater signs of appreciation for the defense burden the United States carries in Asia.

More than anything, he wants to see evidence that India and Pakistan are using the aid we send them to help create an agricultural system which eventually will permit them to be self-reliant.

We halted military aid to both countries when they began fighting last August over Kashmir. Food shipments have continued on a monthly basis,

but President Johnson has declined to make new long-range commitments.

India now is facing her worst food shortage in 18 years. Drouth reduced her rice production 75 percent in some areas. In some respects, it may appear calloused for the President to attach strings to food shipments when millions face the prospect of starvation. But our grain still is moving to India, and our failure to attach strings in the past apparently hasn't encouraged India to resolve her agricultural problems.

We've proved our sincere interest in the two countries by our investment of some \$10 billion in aid—three-fifths of which went to India. Now President Johnson feels he owes an obligation to American taxpayers to see that any further aid be used wisely and well.

Our shipments in the past may have been a crutch rather than an incentive, he feels. It has been estimated, for example, that within a decade it may take the equivalent of our entire annual grain crop to meet India's food deficit.

As for Pakistan, the President is concerned about the nation's drifting toward Communist China, despite the past solid friendship between our two countries.

President Johnson has issued no ultimatums, of course, but he has made plain that he will stress these points when he meets Pakistan's President Ayub later this month and in his projected later meeting with India's Prime Minister Lal Bahadur Shastri.

It will be wise for him to do so.

Anti-U. S. Campaign in India

A number of foreign countries have repaid American generosity with abuse, but the anti-U. S. campaign currently carried on in India has outdone most others in bitterness and invective.

The Indian press, and individual political commentators, have undertaken a personal vendetta against President Johnson, vilifying him with such descriptions as a "capricious autocrat who lives in mental isolation from advisers" and who handles relations with India "like a king in distemper."

The target of these vicious attacks happens to be the President of a country which has handed out billions of dollars in aid to India and which is supposed to keep right on handing out additional billions, no matter how contemptuously it is treated.

President Johnson has been accused of bruising Indian sensibilities by suggesting that India make greater effort toward self-sufficiency before it is furnished with

increased economic aid. Just what, we may ask, is wrong with that?

Actually, the U. S. has gone out of its way to extend the hand of friendship to India and to heap upon its people our lavishly generous aid. But, like those in other countries who have kicked us while accepting our money, the Indians take it for granted that, no matter how outrageous their attacks, we will hand them whatever amount of aid they ask for.

Maybe, this time, they are wrong. The American people are getting tired of helping ingrates. In a speech in Philadelphia on Tuesday, Thomas C. Mann, Undersecretary of State for Economic Affairs, pointed out that "The flow of U. S. aid is not an act of nature." He added that "We do not react favorably to violence, insult and pressures."

We surely cannot "react favorably" to the kind of insults that the Indian press is heaping upon our country and its leaders.

India sets higher food goal

By Sharokh Sabavala
Special correspondent of
The Christian Science Monitor

New Delhi

Prime Minister Lal Bahadur Shastri fully endorses President Johnson's view that India must make a single-minded drive for the soonest possible self-sufficiency in food.

Mr. Shastri tells visiting United States congressional teams that wheat subsidies must be tapered off to end in five years' time.

Some of his Cabinet colleagues, sections of the ruling Congress Party, Parliament, and the press demand that the period of dependency be cut down to a maximum of three years.

Sino-Pakistan confrontations now are accentuated by the worst drought in 50 years. The drought has beamed a fierce floodlight on India's imperfect agricultural development during which it is freely and angrily being charged here that the government has used Public Law 480 shipments as a "crutch."

Subsidies sought

One ruling-party member told Parliament Monday: "What America gave as a blessing we have turned into a bane." Ripples of applause from public galleries had to be suppressed.

In the floodlight the following is disclosed:

1. While the federal government plans food targets and has to find subsidies for water, seed, and fertilizer, actually food-growing autonomous states have been going their own way:

Not fulfilling targets;

Diverting funds from agriculture to industry;

Fighting over river waters;

Neglecting some important irrigation schemes.

Under the Indian Constitution they can so defy the central government. And when drought hits, they tend to cover or exaggerate their losses, urgently signaling New Delhi for emergency aid.

Delhi then is forced to dip into reserves to avert what it has warned is developing into a famine situation.

Many state capitals with populations of a million and over have even been dragging their feet over rationing.

Federal Food Minister C. Subramaniam remarks caustically, "They seem to think they're doing me a favor." Observers here feel that Mr. Shastri, now riding on a high tide of popularity, drastically must end this situation even if it antagonizes some state leaders and means some loss of votes at the next elections.

Deficit estimated

2. The food deficit, again depending on incomplete state returns, is estimated to be anywhere between 6,000,000 and 12,000,000 tons.

As against this, holdbacks of the last bumper harvest and last year's massive United States imports should be sufficient to prevent outright famine conditions.

Scarcity pockets, however, will develop. Already in the desert state of Rajasthan, adjacent to New Delhi, peasants with all their cattle and household goods can be

seen abandoning their farmsteads in treks in search of water and fodder.

New Delhi thus will have to scrounge the bottom of every bin to maintain emergency buffer stocks. The city went under statutory rationing from Tuesday at midnight with 10 ounces of cereals per adult per day. Last-minute hoarding efforts by worried housewives are noticed.

Confusion results

3. Intensive efforts are needed to push the government's emergency interseasonal crop drive to reach the June target of an additional 2,000,000 tons of potatoes, tapioca, and vegetables.

Delhi now is arranging to move seed and fertilizer to local state depots. It is ready to release even stored drinking water for parched fields.

4. The government's ideological urges now show they create only confusion. Last year there was set up a state food corporation as a major purchasing agent. Private trade, resenting the interference, began holding up. The result was that the consumer did not get the full benefit of the last bumper harvest. In Parliament even Congress Party members now have charged that

while production has been increasing, procurement has even fallen in the last years. The whole distribution system now is under fire.

All this has been frankly discussed with United States congressmen and senators who have been sitting in on highest-level discussions.

At the end of one meeting with Mr. Shastri Tuesday, Sen. Wayne Morse is reported to have said, "The United States will yield to no one in its friendship."

Another senator said, "I can imagine no greater historical tragedy than that our two democracies go their separate ways."

Mr. Shastri, says one government official, is going to Washington to tell the President that they need not.

December 9, 1965

INDIA ASKS U.S. AID AS FAMINE LOOMS

Seeks Grain Under Special
Emergency Provisions

By J. ANTHONY LUKAS

Special to The New York Times

NEW DELHI, Dec. 8—India has asked the United States for emergency food shipments to help meet her impending famine.

Authoritative sources in the Indian Government said today that it had requested food grains under the "emergency relief" provisions in Title II of Public Law 480, the "Food for Peace" program.

Such shipments meet food shortages resulting from droughts, floods, earthquakes, other natural disasters of political disruption.

India is undergoing her most severe drought of the century and officials here expect famine conditions in many areas early next year. The Indian Government now estimates that it will need 10 million to 14 million tons of imported wheat and rice in the coming year, compared with eight million tons this year.

Winter Rains a Factor

The requirements will be nearer to 10 million tons if the winter rains are satisfactory and closer to 14 million tons if the rains fail, the Government believes.

India looks to the United States to supply most of the needed grains, under the "Food for Peace" program.

The Indian government has not asked for a specific quantity under the program's "emergency relief" provisions. It has merely requested that as much as possible be given under Title II rather than under the normal section Title I. The aid requested has several advantages for India.

First, it is donated rather than sold for rupees. More important, the United States also pays the cost of ocean shipment, thus sparing India's critically low foreign-exchange reserves.

Second, it is geared to an emergency and therefore could probably be delivered somewhat more quickly than Title I aid, which required somewhat more cumbersome negotiations.

Third, it might provide one means of getting an increase in United States food shipments before President Johnson and Prime Minister Lal Bahadur Shastri hold talks, probably late in January or early in February.

Since June, the United States has refused to sign a new long-term agreement for aid under Title I, the major United States "Food for Peace" program, under which India received 6.6 million tons in the previous fiscal year.

For the last five months the United States has been willing to sign only short-term agreements providing for 500,000 tons of wheat a month.

This policy is apparently aimed chiefly at forcing India to stop using American food shipments as a "crutch" and to stimulate greater efforts by India to increase production. The United States has been particularly urging India to increase investments for fertilizers, pesticides and irrigation.

In another reflection of the food crisis, New Delhi introduced rationing today for wheat, rice and sugar.

From now on, each adult will receive about four and a half pounds of food grains a week and children will get half that figure.

The food is to be distributed by several thousand food shops licensed for that purpose by the city.

Fighting Famine in India

President Johnson's authorization of a \$50 million loan for fertilizers as well as swifter shipments of United States wheat will help to alleviate India's latest food crisis. But these moves will not eradicate hunger and starvation in India. They are stopgap measures that, like previous emergency efforts and India's new rationing plans, will keep famine within what has become tolerable bounds.

The Indians are inclined to blame the Johnson Administration for most of their troubles, pointing out that Washington has been using food as a bargaining weapon to force a settlement over Kashmir. It is true that the food shortage worsened after the Administration refused to sign a long-term agreement guaranteeing aid last June. But India had serious food shortages long before it encountered difficulty with Washington; and it is distressing to note that the Shastri Government is still without a permanent solution for feeding India's growing millions.

The Indian Government remains reluctant to undertake the kind of technological revolution in agriculture that alone offers a prospect of matching the growth in population. It sorely needs a big increase in fertilizer production, yet India has been suspicious of private enterprise, turning down the plans of major American chemical companies to set up large-scale fertilizer operations. And though it has promised to increase the amount of resources going to agriculture, India's stepped-up military program may lead it once again to default on its pledges.

A solution to India's food problems cannot be found without large-scale aid from the United States. But the Indians cannot count on aid alone. They must give priority to agricultural development, to eradication of the barriers that have limited foreign capital and to marshaling a larger share of their own finances and skills in the production and distribution of food. These are the ways in which even more widespread famine and increasing political unrest can and must be avoided.

Food Into a Bottomless Pit

THE shadow cast by threat of coming world famine deepens with the emergency U. S. decision to speed grain shipments to India. We have been shipping at the rate of 500,000 tons a month. Under President Johnson's order, issued yesterday, 1.5 million tons will be sent "at an early date."

Reason for this action is famine, resulting from the worst Indian drouth in 50 years, but, even before the drouth, we were sending India six million tons of grain a year. This year India will get from 15 to 20 per cent of our total wheat crop.

While these gifts are dictated by compassion for human misery, there is grave question as to their long-term effect. India continues to add to her population by 12 million hungry mouths a year — and resources have been squandered on such vainglorious projects as huge steel mills, to the neglect of agriculture. In India, as elsewhere in the underdeveloped world, American aid has enabled local political leaders to avoid facing up to their food and population problems.

Agitation is being renewed to take the lid off of U. S. grain production in an effort to feed these areas, but this is no solution. Even if we could raise enough, which we cannot, the transportation problem would be

immense. Grain ships stacked up in Bombay harbor last spring, at a much lower rate of shipment than now is contemplated; and India lacks internal transport facilities to get the grain promptly to its starving people.

India is only a fraction of the world problem. Famine areas of the world include Pakistan, Red China, Indonesia, Iran, Turkey, Egypt, northern South America, Central America and all but the southern regions of Africa. In Latin America, population is increasing almost twice as fast as food production.

On the current trend there is increasing expert opinion that approaching world famine threatens to be the most colossal catastrophe in history.

Already millions born each year are doomed to early and painful death by slow starvation. The prospect of still more millions of famine deaths is even more horrible to contemplate than nuclear war — and at least as menacing to world order.

Perhaps the scheduled meetings of President Johnson with Indian and Pakistani officials may increase realization of what is happening. There is no evidence to date that the double emergency problem of food production and population control has induced in world political leaders anything like the appropriate degree of alarm.

For India: Johnson Speeds Up 1.5 Million Tons of Food Grains

Loan to Buy Fertilizer Is Also Okayed

Special to the Herald Tribune

AUSTIN, Tex.

President Johnson yesterday authorized stepped-up delivery of 1.5 million tons of food grains to India to help alleviate that nation's mounting food crisis.

The President's action approved "early shipment" of a three-month grain quota which otherwise would not have been cleared for final delivery until February.

He also approved a \$50 million program loan to the country for the purchase of U. S. fertilizer.

"We understand that India plans to spend a like sum of its own foreign exchange" for fertilizer, White House press secretary Bill Moyers said yesterday. "This should permit increased Indian food grain output of three to four million tons in the next crop year."

India has been receiving 500,000 tons of American grain a month on a month-by-month basis since June, when the four-year surplus food arrangement between the two nations expired.

Mr. Moyers said the Administration has not yet decided if the regular monthly quotas of food grains also will be shipped in January and February in addition to the 1.5 million tons.

Mr. Johnson and Secretary of State Dean Rusk in Washington both urged other countries to aid India in her food crisis.

APPROVAL

Mr. Johnson approved the grain speed-up after conferring with Agriculture Secretary Orville Freeman at the LBJ Ranch on Wednesday about the Indian food shortage.

A severe fall drought there caused crop failures which, Indian officials say, will result in near-famine in many areas. Tentative estimates are that harvests will be short by at least 6 million tons and probably more.

By coincidence, the U. S. now supplies approximately that same amount of grain annually to the country under the food-for-peace program.

Officials here said India now is considering the possibility of asking the world's grain-producing countries to form an international consortium to provide relief in the current food crisis. These officials said the U. S. would agree to contribute a "proportionate share" under such an arrangement.

Mr. Moyers said the President "welcomes further discussion with the Indian government about how the U. S. can help India achieve its agricultural goals."

This, along with the Kashmir dispute, is expected to be a major topic of discussion when Indian Prime Minister Lal Bahadur Shastri meets with President Johnson early next year.

Mr. Johnson is expected to insist that India now begin a new effort to modernize its agriculture and to offer U. S. financial aid in this area.

CHALLENGE

NEW DELHI (AP).

Food Minister Chidambaram Subramaniam offered yesterday to turn over his post to anyone who could meet India's present food crisis without importing food.

It would be "dangerous and foolhardy" for anyone to say India could manage without food imports, Mr. Subramaniam told the upper house of Parliament. But if any man had the courage to say so, "I shall gladly request the Prime Minister to hand over my portfolio," he added.

JOHNSON CITY, Tex. (AP)

The Texas White House announced yesterday that President Johnson will meet with British Prime Minister Harold Wilson and West German Chancellor Ludwig Erhard in Washington.

It has been announced earlier that Mr. Johnson's meeting with President Mohammad Ayub Khan of Pakistan would be held in Washington.

Until today the site of the meetings with Mr. Wilson and Mr. Ayub had been uncertain, with Washington and the LBJ ranch alternate sites. Mr. Ayub will meet with Mr. Johnson Dec. 14-15, Mr. Wilson Dec. 17 and Mr. Erhard Dec. 19-20.

U.S. STEPPING UP FOOD AID TO INDIA

Step Is First Since Freeze
During Kashmir Fighting

Special to The New York Times

AUSTIN, Tex., Dec. 9 —

President Johnson authorized immediate steps today to help alleviate the threat of famine in India.

The measures included a speed-up of grain shipments to India under the Food for Peace program and a \$50 million loan to help India buy fertilizer in the United States.

In buying the fertilizer, India is to match the loan with expenditures from her foreign exchange, according to Bill D. Moyers, the Presidential press secretary.

Mr. Moyers said the loan would be made under the United States' economic aid program. It is the first new commitment of funds since September, when the United States froze its aid to India and Pakistan because of their war over Kashmir.

Although the loan is intended to deal with a special case — India's food emergency — it indicates some relaxation of the freeze and is regarded by the Administration as significant for that reason.

Under the authorization issued by Mr. Johnson today, a three-month grain allocation—1.5 million tons—will be made available for early shipment. This will cover the allocations for December, January and February, which would otherwise have been made month by month.

Although the new authorization will not actually increase the amount of grain, such a step could be taken later.

The fertilizer purchases should permit India to increase her grain crop by three million to four million tons in the next year.

President Johnson also indicated that he would like other nations to join an international effort to help India meet her grave food problems. Mr. Moyers said the United States was prepared to participate in such an effort.

Mr. Moyers described the President's thinking on the situation after a conference last night between the President and Secretary of Agriculture Orville Freeman at Mr. Johnson's ranch, 65 miles west of Austin.

New Talks 'Welcome'

"The President welcomes further discussion with the Indian Government about how the United States can help India achieve its agricultural goals," Mr. Moyers said. He added that Mr. Freeman was inviting India's Food Minister, Chidambaram Subramaniam, to visit Washington soon for talks.

Mr. Subramaniam expected to arrive before the expected, but still unannounced, meeting of President Johnson and Prime Minister Lal Bahadur Shastri of India in January or February.

The four-year agreement between India and the United States covering Food for Peace shipments expired in June. Since then, the United States has extended it from month to month and has made 500,000 tons of food grains a month available for purchase by India in her own currency. The grains are mostly wheat.

By refusing to sign a new long-term agreement covering

grain shipments, the United States is apparently trying to force India to stop using American food shipments as, in Washington's view, a crutch and to stimulate greater efforts by India to increase her food production.

United States officials have been urging India to make greater investments in fertilizer, pesticides and irrigation.

Last year India grew 88 million tons of food grains. She imported about seven million tons, of which about six million tons came from the United States.

This year, because of severe drought, India's crop is expected to be about 80 million tons.

Johnson Moves to Aid India in Meeting Food Shortage, but Again Urges Self-Help

By a WALL STREET JOURNAL Staff Reporter

AUSTIN, Texas — President Johnson took a step toward helping India over its immediate food shortage while underscoring his belief that hungry nations must do more to feed themselves.

The President, after talks with Agriculture Secretary Freeman at the LBJ Ranch, authorized a new extension of the U.S.-India Food-for-Peace agreement to allow prompt shipment of 1.5 million tons of wheat and possibly other grains, valued at about \$90 million, to the famine-threatened Asian nation.

At the same time, he approved a \$50 million foreign-aid loan to India to finance purchases of U.S. fertilizer to spur future farm output. Officials said this is the first Government loan to India for any purpose since the current fiscal year began July 1.

White House Press Secretary Bill Moyers said President Johnson views India's immediate and long-range food needs "with sympathetic concern." He added that the President believes Congress and the American people agree that India should be aided "in a manner whereby U.S. assistance can be used to maximum effect to complement India's own self-help endeavors."

India, perennially short of food for its burgeoning population, is harvesting poor crops this fall and winter because of late and inadequate monsoon rains. It harvested a record grain crop of 88 million metric tons in the year through last June, but officials see a decline of 7 million to 10 million tons in the current crop year.

Although India has been seeking a new, long-term Food-for-Peace pact with the U.S., the Administration in recent months has been extending an expired agreement on a month-to-month basis, financing shipments of about 500,000 tons monthly. India pays for the grain in rupees.

The Johnson Administration has been looking, among other things, for evidence that India will do more to foster its own food output before signing another long-term Food-for-Peace pact. However, India's current starvation threat is making it difficult for the Administration to maintain too hard a line for fear of alienating public opinion at home and abroad. The President's move yesterday won't satisfy the Indians entirely, but it is a first clear sign that the White House is willing to take special action as India's food picture darkens.

Press secretary Moyers said the go-ahead for financing the sale of 1.5 million tons of grain represents a "speed up" but not necessarily an increase in the flow of Food-for-Peace grain. The agreement covering the shipments, under Title I of Public Law 480, the Food-for-Peace statute, must still be negotiated, but officials expect this to be accomplished in a few days without difficulty. Title I covers so-called "soft" currency sales, in which the receiving country pays in local money.

If the recent pattern had been continued, grain sales to India for the next three months would have been limited to monthly installments of 500,000 tons each. The White House move means the grain should reach India more swiftly. But the question remains whether additional shipments will be authorized in January, February and March, making this an increase in Title I sales. Mr. Moyers said he hadn't any information on this point, but other sources consider such a step very possible.

The U.S. may also send surplus grain to India under another section of Public Law 480 that authorizes donations for disaster relief overseas. India is understood to be seeking such aid as well.

In this connection, Mr. Moyers said the U.S. is "fully prepared" to share in a special international effort to help India meet its immediate food crisis. India, it's understood, may propose a multination arrangement in which grain-producing countries would chip in varying tonnages to feed India's hungry.

On the self-help side, the U.S. finance in fertilizer imports is designed to increase India's use of plant nutrients. Mr. Moyers said

India is expected to spend another \$50 million of its own on additional fertilizer imports. Use of this fertilizer should increase Indian grain output next year by three to four million tons, he said. However, as the plant food will be applied to crops planted next spring for harvest the following fall, it couldn't help alleviate India's current shortage.

As India embarks on a strict and controversial grain-rationing effort, its first in 11 years, Mr. Moyers said, President Johnson "welcomes further discussion" with India about how the U.S. can help India achieve its agricultural goals. He said Secretary Freeman is inviting Indian Food Minister Subramanian to the U.S. shortly "for this purpose of further discussion."

U.S. TO GIVE LOAN, GRAIN TO AID INDIA

Dual Plan To Prevent Famine Approved By Johnson

By MURIEL DOBBIN

Austin, Texas, Dec. 9—President Johnson approved today the dual emergency measure of a \$50,000,000 loan plus an immediate shipment of 1,500,000 tons of grain for famine-threatened India.

The action to help avert the Indian food crisis came on the heels of last night's meeting at the LBJ Ranch between the President and Orville Freeman, Secretary of Agriculture, at which India's agricultural problems were discussed.

"The immediate, as well as the long-range, food needs of India are viewed with sympathetic concern by the President," said Bill D. Moyers, White House press secretary.

Full Support Assumed

He added that the President "believes that the American people and Congress fully support assisting India to overcome these difficulties in a manner whereby help can be used . . . to complement India's own self-help endeavors."

Mr. Johnson's move involved authorization of the immediate shipment of three months' supply of food grain to India, as well as a \$50,000,000 loan to purchase fertilizer in the United States.

Last week the President received a special report from Freeman, who talked with Indian food and agriculture ministers while attending the meeting of the Food and Agriculture Organization of the United Nations in Rome.

Drought Cuts Harvest

The Indian Government had revealed 24 hours earlier that the country is confronted with a critical food shortage as the result of a drought.

This so severely damaged food grain crops that the harvest will fall short of what is needed to feed the 480,000,000 population by 11,000,000 to 14,000,000 tons.

A food rationing system has been planned in India, where the Government has described the drought as "a natural calamity of a magnitude unknown in recent times."

The Indian Food Minister, Chidambaram Subramaniam, has been invited to visit the United States soon, Moyers said today, for further discussions on how the United States can help India.

"The President believes 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," the press secretary said.

"The United States is fully prepared to participate in such an effort," he added.

Mr. Johnson is studying the Food for Peace program, and for some time a Presidential task force has been working on the possible revision of Public Law 480, which deals with the disposal of farm surpluses such as the food grain shipments to India and which expires next year.

The President is believed close to initiating a new policy calling for an emphasis on food in American efforts to encourage overseas development by linking food aid more directly with self-help programs.

Mr. Johnson has stressed that, particularly in the case of India, future American economic and Food for Peace assistance must not be "a crutch" but must be regarded as an incentive.

During the past ten years, America has shipped \$3,100,000,000 worth of food grain to the Indian subcontinent. During the last year it has been sending 500,000 tons a month.

American surplus wheat stocks now stand at 750,000,000 bushels, but although Freeman has said that this country can supply Indian emergency needs, the shortage there would strain those stocks.

Military Aid Halted

The recent India-Pakistan dispute over Kashmir further complicated the question of food shipments to both countries. American military aid was stopped, and the Administration assured Congress that new economic aid commitments would be delayed until consultations were held with members of Congress.

Food shipments to both countries have continued monthly at rates set in previous agreements, but the United States has refused to make new, long-term commitments.

Today's action in approving the shipment of 1,500,000 tons of food grain to India means that the President has telescoped the allocation for December, January and February to get the grain there as fast as possible.

The \$50,000,000 loan for the Indian purchase of fertilizer in the United States is designed to increase the Indian food grain output by 3,000,000 to 4,000,000 tons in the next crop year.

December 11, 1965

Help for Hungry India

The Indian government unofficially has let it be known that it is displeased with President Johnson's complaints, also released unofficially, regarding past arrangements for grants of American surplus food. This was followed by unprecedented attacks on the President in the Indian press.

For suggesting that India should divert more resources to agriculture so as not to become a permanent dependent on the United States and for pressing India to come to a peaceful settlement with Pakistan over the Kashmir issue, the President has been accused of being "a capricious autocrat," "outrageously crude in his handling of India," "inward-looking, irascible and temperamental," of behaving "like a king in distemper," of conducting a "Texan's blunderbuss diplomacy," and of bringing the United States close to one-man rule and monarchy.

This, however, has not interfered with the Indian government's request

for emergency food shipments of American goods under terms even more generous than those granted in the past. Nor is it likely to interfere with a favorable response by the President, who already has authorized a speed-up of shipments previously authorized.

As a nation, we have been in the foreign aid field long enough to know that we can expect little gratitude for our grants. The best we can hope for is that we should be forgiven for having produced surpluses and for making them available to the needy.

The danger of famine in India may well justify special allocations in advance of the visit of Prime Minister Shastri. These need not, however, interfere with the President's intention to place our future over-all aid program on a more realistic basis—one which would take into account the limited resources of the supplier and the performance of the recipient.

Self-Sufficiency in Food

Nature in the form of a drought has forced President Johnson to make a change in foreign policy. The food situation in India, normally poor to abysmal, has reached such a crisis level this year that it would have been inhumane for the United States not to relax the freeze on aid applied last September during the Kashmir crisis.

A \$50 million fertilizer loan will help to combat the drought, and 1.5 million tons in grain, to be delivered over the next three months, will help feed thousands of hungry people. The immediate situation will thus be relieved somewhat. But that is only the beginning of the problem.

In its distress India has again turned to the United States. But the current food crisis points up once again the country's urgent need to develop its own agricultural production. The underdeveloped nations of the world must wake up to the fact that within a few decades America will not be able to produce enough food to match world population growth—particularly in Asia and Africa.

In this regard President Johnson can find little ground for criticizing Pakistan when he meets with President Ayub Khan next Tuesday. A major target of its last five-year plan, which ended this year, was self-sufficiency in food. Some significant increases in production were achieved and ambitious irrigation projects were undertaken. Still Pakistan is far from feeding all its hungry.

The President meets with Prime Minister Shastri of India next month. He should make it clear to him then that the new long-term Food for Peace agreement between India and the United States must contain some guarantee that India will step up its own drive for self-sufficiency.

In both meetings Kashmir and Red China will be the major topics of discussions. But since the two visitors want to get on with their economic development programs, they will be asking for an end to the foreign aid freeze. This will be an opportune time to remind them of the need to develop home grown skills in producing and distributing food.

CAPITOL STUFF

By STAN CARTER

Washington, Dec. 10—A member of the ruling Congress Party told the Indian Parliament in New Delhi this week: "What America gave as a blessing we have turned into a bane."

He was talking about the shipments of American surplus grain which have helped feed India's growing millions. The shipments under Public Law 480—mostly of wheat—are part of about \$6 billion in aid the U.S. has given India since 1946.

The U.S. surplus has helped compensate for India's perennial inability to grow enough grain to feed itself. Despite these food-for-peace shipments, the teeming Asian country is again threatened with famine.

Drought, which often hits part of the immense country, now encompasses all of India. Reservoir levels in usually rain-drenched Kerala State have dropped to from one-half to one-sixth their normal level. For lack of water and fodder, farmers in Gujarat State are selling their bullocks for slaughter and will not have them to till their fields.

Field surveys indicate that the coming wheat harvest may fall as much as 12 million tons short of last year's record 89 million tons.

The crunch is expected late next month or in early February. But already the government's grain stockpiles have dwindled almost to bedrock.

Food rationing was begun in New Delhi this week.

Because of the emergency, President Johnson announced yesterday a speed-up in shipments of American food grains. Since June, when a long-term U.S.-India food sale program expired, the U.S. has continued to finance shipments of about 500,000 tons monthly on a month-to-month basis. India pays for the grain in rupees, most of which U. S. then lends back for economic and social development projects.

Early Shipment of 1.5 Million Tons OKd

Early shipment of 1.5 million tons of grain—which normally would be sent over a three-month period—was authorized by Johnson and agreement was signed in New Delhi today.

The prospect of the big grain shipment reaching India within about six weeks may discourage hoarding of what's left on this year's bumper crop by Indian grain dealers, whose speculation always aggravates the country's food crises.

But New Delhi still will have to scrounge the bottom of every grain bin to prevent outright famine conditions. People still will go hungry.

Another U.S.-India agreement will, hopefully, have greater long-range impact. Johnson approved yesterday a \$50 million foreign aid loan to finance Indian purchases of American fertilizer, with the understanding that Shastri's government would use the same amount of its own limited foreign exchange to buy fertilizer as well.

The fertilizer loan is the first U.S. aid to India except for surplus food since fall, when aid to both India and Pakistan was curtailed during their war over Kashmir. (Pakistan's President Ayub Khan arrives here Tuesday for talks with Johnson about resumption of aid; India's Prime Minister Shastri is coming Feb. 1.)



Prime Minister Shastri
Accused of neglecting agriculture

DAY.
Added to her tab was \$40,200.
all which, the court said, represented
half their joint property in her
possession, plus interest and costs.
Total: \$43,651.
The ruling climaxed a com-
panion accounting suit to the di-
vorce action, won Oct. 8 by Lan-
dan, who convinced a Supreme
Court jury that his wife bedded
with the caterer who arranged
for the nuptial celebration for the
Landans' daughter, Joan, 20.
Landan, represented by attor-
neys Irving Erdheim and Leon-
ard Shalleck, charged that in
1964, while he was hospitalized
and undergoing a series of elec-
troshock treatments, Mrs. Lan-
dan siphoned off about \$90,000
in "a campaign to divest him of
the



Mrs. Evelyn Landan

U.S. food aid starts thaw in India

By Sharokh Sabavala
Special correspondent of
The Christian Science Monitor

New Delhia

India has expressed its "sincere thanks" for accelerated American food aid and a \$50 million loan for fertilizer purchases.

The move by President Johnson to speed up much-needed aid for this country came at what is regarded here as a significant time—on the eve of Pakistan President Ayub's visit to the United States.

It also is viewed as:

- Starting a thaw in economic relations between the two nations frozen since last September;

- Helping Prime Minister Lal Badahur Shastri to visit the United States in February not too obviously "hat in hand";

- Steadying India's grain market and prices just as large-scale statutory rationing is introduced;

- Warning, by means of the fertilizer deal (which India will match), that it is more important to increase production than to distribute scarcity.

Official appreciation for the Johnson initiative was expressed in Parliament Nov. 10 by Mr. Shastri and Food Minister C. Subramaniam.

The Prime Minister made some other announcements at the end of Parliament's winter session.

He goes to Rangoon Dec. 20 to steady relations commonly menaced by Communist China.

He goes to Tashkent Jan. 3 to discuss India-Pakistan relations with Mr. Ayub.

He pays a visit to the United States Feb. 1, probably now for longer than previously scheduled, "to listen carefully to President Johnson, to convey the warm friendship of the Indian people, and to explain in fullest detail Indian postures and positions."

Mr. Shastri added that while their approaches may be different, both the United States and the Soviet Union want peace and stability in this subcontinent. India, he said, cannot ignore this desire, which also coincides with the wishes and interests of vast Indian majorities.

He promised that at Tashkent, if Pakistan shows it, too, wants peace, it shall have it. India is quite prepared to submit to an internationally guaranteed no-war declaration with its neighbor, he indicated.

It is prepared to "give and take" on all problems, provided they don't adversely affect "its sovereignty, territorial integrity, and security."

One member of Parliament advised Mr. Shastri to go to Tashkent and persuade Mr. Ayub to reverse the whole "miserable" trend of the last 18 years so that India and Pakistan can work together as one nation. He added, "Then let's see what Peking can do here or elsewhere in Asia."

This most troubled year thus seems to be ending in the first pale light of dawn's new hope.

India-Pakistan drama builds

By David K. Willis
Staff correspondent of
The Christian Science Monitor

Washington

The first act of a three-part drama on the future of one-sixth of the world's population is about to be played out here.

Ramrod-straight President Ayub Khan of Pakistan arrives, amid ceremonial fanfare, to talk with a sombre President Johnson Dec. 14 and 15.

The opening scenes promise to be grim. Mr. Johnson is in no mood to mince words.

He wants both India and Pakistan to stop feuding over Kashmir, and to become strong, responsible Western allies.

He will issue no ultimatum, but he has all the leverage of massive American aid to put his points across.

The second part of the drama will come on Jan. 4 when President Ayub goes to Tashkent, in Soviet Central Asia, to meet Indian Prime Minister Lal Bahadur Shastri.

Then Mr. Shastri comes to Washington Feb. 1 to hear Mr. Johnson's views for himself.

Aid showcase

Essentially, the plot is that the leader of the West's strongest nation has decided that now is the time to speak plainly to the leaders of some 600 million people on Communist China's borders.

Since the last war, the United States has given India and Pakistan some \$10 billion in aid. India cannot do without huge quan-

ties of American surplus food—now flowing to it at the rate of six million tons a year.

Pakistan shines as a showcase for American foreign aid.

Yet both nations have just squandered much of the aid on battling each other over Kashmir. Their passions are still high. Despite a cease-fire, each still holds territory belonging to the other.

New commitments of American economic and military aid have been suspended because of the fighting. Both nations are suffering.

Mr. Johnson is quite prepared to help India over the famine shortages now facing it. He has just ordered immediate shipment of 1.5 million tons of wheat, and a \$50 million loan for Indian purchases of fertilizer.

Postponed twice

But he remains disturbed at what he sees as India's lamentable lack of proper agricultural planning. He has made it clear India will have to help itself before it can expect more long-term American help. Mr. Shastri agrees India must do more.

As for Pakistan, Marshal Ayub wants to avoid all appearance of coming hat in hand, sources here say — but he will certainly bring up aid, and sound out American willingness to continue it.

American reluctance caused the World Bank to twice postpone a constortium meeting at which some \$500 million was to be pledged to Pakistan for the five-year-plan which began July 1 this year.

The United States was to provide about half.

But Mr. Johnson has let it be known that he is seriously worried not only about Kashmir, but about Pakistan's increasing closeness with Peking.

At one time, President Johnson felt this friendliness—which goes back to early 1950 and has produced trade and air links to Canton and Shanghai—was "manufactured" to embarrass India. Now he takes a more serious view of it.

Pakistani spokesmen reply here by saying the Karachi-Peking relations are perfectly normal and harmless. They examine every new American statement for signs of American "pressure" to ease them.

Mr. Johnson will tell Marshal Ayub he admires the good use to which American aid has been put in Pakistan. But he will say that Congress takes a dim view of an ally siding with an American foe.

From Marshal Ayub's standpoint, a Kashmir settlement will be the central point in the talks.

Sources in Karachi say the Pakistani President would dearly like some glimmer of American support for his position to take back and report to his people.

Reasonableness indicated

The marshal is believed to want Mr. Johnson to act decisively to bring Prime Minister Shastri to a bargaining table. Exactly what he expects Mr. Johnson to do is not yet known.

For his part, President Johnson insists that both sides observe the United Nations cease-fire terms, which include withdrawal of armed forces from each other's ground and steps leading to long-range settlement.

Marshal Ayub has been giving the impression of greater reasonableness lately. When Mr. Shastri said he would only talk to Marshal Ayub at Tashkent if Kashmir were included in a broad range of subjects, Marshal Ayub indicated he, too, wanted to talk about many things.

Reports from New Delhi say Mr. Shastri does not believe anything is to be gained from going to Tashkent. But Marshal Ayub's statement, made through Pakistani Foreign Minister Z. A. Bhutto, provided no reason for refusing.

When Prime Minister Shastri comes to Washington, Mr. Johnson has said he will insist that India take steps to improve its agricultural planning. The President feels strongly that India has used enormous quantities of American food—\$2.3 billion worth up to the end of the year—while failing to organize an efficient output of its own.

Unless this changes, future aid may be curtailed.

Currently, India faces widespread famine. The worst drought of this century has already forced rationing in New Delhi for the first time in 11 years.

Washington is under great pressure to help with even more food. Since the Kashmir fighting, the United States has declined to make its usual long-term grain commitments. Instead, it has been sending the same amount of food—some six million tons a year—but in monthly loads of 500,000 tons each.

Mr. Shastri wants another long-term agreement.

Both India and Pakistan would like more military aid. So far, India has received about \$80 million in arms and equipment, as part of a 1962 promise of \$200 million.

Pakistan has received about \$1.2 billion.

But Mr. Johnson has turned down flat Pakistani "feeler" requests for spare parts to replace those lost in the recent fighting.

He will certainly give no more military assistance until a Kashmir solution is in sight.

Marshal Ayub has said he will turn elsewhere for military aid, but it is pointed out that he is largely dependent on American parts because almost all his current equipment is American made.

Mr. Johnson is aiming for a clearer understanding of the future. He wants Messrs. Ayub and Shastri to realize his own problems in Asia.

In particular, he would like a more sympathetic hearing of American aims in Vietnam.

Both New Delhi and Karachi newspapers have been severely critical of the American Vietnam effort.

"If I were an American, I would be encouraged by such a statement made in Peking itself," an official said. "Ayub could have praised Peking. He did not."

Clearly, Mr. Johnson's patience is running out. He does not expect the coming round of meetings to produce immediate dramatic results. But he does want the air cleared, American aims forcefully stated, and an idea of how far Messrs. Ayub and Shastri are prepared to go to follow his suggestions.

Hungry India Hits Panic Button

THE plight of India's hungry millions seems to have knocked from President Johnson's hand the lever he had hoped would force India into serious negotiations with Pakistan to settle the Kashmir dispute.

Late in September, during the last round of fighting between India and Pakistan, the President quietly cut off long-term commitments to supply India with surplus grain. The White House announced it would only approve a 25-day supply for India at any one time. And it was made known that Johnson hoped India would get the message that it could not expect to wage war on American food; that it should seriously try to settle its dispute with Pakistan.

Soon afterward, the fighting ended, but there still have been no real negotiations.

However, there has been no end to the new mouths to feed created by India's out-of-control birthrate—10 million a year. And there was a drought this summer in a half dozen Indian states, which has cut appreciably into India's grain supply. So now India faces the threat of widespread famine this winter.

For several years, of course, India has staved off this threat only with the help of steadily-increasing shipments of surplus American grain. (That 25-day supply approved by

Johnson in late September amounted to a whopping 500,000 tons!)

Now, however, India's officials, who have been appallingly complacent about the problem, have suddenly hit the panic button. A couple of weeks ago they grudgingly conceded that probably they would have to raise food and agricultural problems to second place in next year's priorities — behind defense — in place of their previous stress on industrialization.

Now they apparently have realized they are in deep trouble. They have asked President Johnson to rush them 1.5 million tons of grain—a normal three-months' supply—as soon as possible. And the President, putting humanitarianism ahead of diplomacy, has agreed to send it.

HOW this generosity will affect his efforts to settle the Kashmir dispute, in talks with Pakistan's President Ayub Khan this week and with India's Premier Shastri next month, remains to be seen. With thousands, probably millions, facing starvation in India this winter, President Johnson undoubtedly decided this was something he simply had to do.

It will be interesting indeed to see what the leaders of Pakistan, and particularly India, decide they have to do.

Johnson Seeks to Make Overseas Assistance Serve U.S. Aims Better

Tough New Line May Greet Pakistan President Today; India, UAR, Ghana Affected

Stress on Health, Education

By PHILIP GEYELIN

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — Something new has been added to the traditional, year-end overhaul of foreign aid.

While the bureaucracies involved are working it over from the bottom up, in hope of making it more palatable to Congress, President Johnson, in comparative isolation, has been working it over from the top down, with a view to making the U.S. overseas assistance effort a more effective instrument of foreign policy.

"The President has become a bug on foreign aid," says one recent visitor to the Texas ranch house. "He just can't believe you can't get more leverage out of it."

This two-front assault may well produce the most radical and far-reaching changes in the content and conduct of foreign aid since the U.S. went into the aid business, globally, on the heels of the post-World War II Marshall Plan.

Money totals are unlikely to be affected much. The guessing is that the Johnson Administration will ask Congress next year to appropriate something in the neighborhood of the \$3 billion requested and received under the "bare bones" approach applied by the President in each of the past two fiscal years.

Some Sweeping Studies

But method and manner of operating the program almost certainly will change substantially. The Agency for International Development and other interested agencies have been chewing over a big batch of "task force" studies, some quite sweeping in scope. In the next few weeks Mr. Johnson will take one last sounding of Congressional sentiment and then make final decisions on:

—A new approach to the Food-for-Peace program that could bring important changes in domestic agricultural policy if, as expected, the U.S. decides to gear its farm output more closely to a world-wide plan for meeting anticipated food shortages during the next decade.

—A fancy new Great Society-style program for aiding education overseas, which would put book-learning at the very top of the list of priorities in the allocation of U.S. foreign aid funds.

—A further shift of emphasis, which would raise health aid higher on the priority list and downgrade comprehensive economic development schemes which commit the U.S. to long-range, across-the-board financial assistance to developing lands.

—A possible attempt to split economic aid off from military assistance, as proposed by a number of key lawmakers on Capitol Hill, and opposed by others.

—And a determination of how much more U.S. money should be channeled through international lending agencies, rather than being doled out directly by the U.S.

At the Ranch, a Revolution

All this by itself could substantially alter the shape, if not the size, of the U.S. foreign aid effort next year. But meantime, back at the LBJ Ranch, a much more profound revolution in foreign aid thinking has been taking place in the mind of President Johnson. Evidence of this has been cropping up increasingly, in recent U.S. aid dealings with Egypt and Ghana as well as India and Pakistan. But perhaps the best measure of the President's state of mind will be found in the attitude he will take with him into his talks today with Pakistan's visiting President Ayub Khan, and in a related encounter with India's Prime Minister Lal Bahadur Shastri early next year.

The President's message for India and Pakistan has been carefully telegraphed in advance. With U.S. economic and military assistance shut off, and surplus food aid on a strict month-to-month basis since the Kashmir flare-up last fall, the price for restoration of aid on a continuing basis has been purposely pegged high. No more shooting is the first requirement. But Pakistan and India must also be judged to be making serious efforts to reconcile their Kashmir quarrel in the broader interest of defending the populous Asian subcontinent they inhabit against the threat from Communist China.

There's more. Increasingly Mr. Johnson sees Vietnam as not only a crucial test in the whole struggle to contain Red China but also as a test of a nation's aid-worthiness anywhere around the world. Pakistan in particular, because it has been the worst offender, will be required, if not to support U.S. policy in Vietnam, at least to stop openly aligning itself with Peking against U.S. "imperialism."

Stressing Self-Help

Mr. Johnson also expects aid beneficiaries to do more to put their own economies in order. India, because on this count it is the worst offender, will be required to make a much larger effort toward agricultural self-sufficiency if the U.S. is to go on sending a large share of its food surplus to fill India's fast-growing needs. This means, for example, that instead of prestige projects such as steel mills, India must build fertilizer factories and embrace modern agricultural technology more rapidly.

Not until Mr. Johnson has talked to Mr. Shastri as well as Mr. Ayub will it be clear just how effective this harder line will be in their cases. What is clear is that the hard line on foreign aid is now firmly embedded in U.S. policy. Few officials doubt that the President intends to apply it case by case, as old long-term arrangements with specific recipients expire and the opportunity arises to start afresh.

"More and more, we are going to be putting some of these so-and-so's on a short string," predicts one aid man. Less and less, he adds, are aid beneficiaries' good intentions going to be taken on faith. In theory, this has been the approach advocated by a good many aid officials, in an effort to extract more "self-help" in the form of social and economic reform from nations receiving U.S. assistance. In practice, however, the tendency to compromise is strong, especially in the State Department, where there is a disinclination to ruffle foreign nations for any reason.

The Practical Politician

As of now, however, the evidence is compelling that the President himself intends to dictate tough terms, if need be. Some associates see in this an effort, derived from his long Congressional service, to invest foreign aid with something of the Senatorial "pork barrel" approach. As they interpret the President's attitude, the champion of the Great Society is quite prepared to do good works for the world's needy, as well as those at home; but the practical politician in him cries out for a somewhat greater expression of gratitude. Increasingly foreign aid recipients will be expected not to act against U.S. interests and not to squander U.S. beneficence.

"Foreign action, not promises, will be the standard of our assistance," Mr. Johnson declared not long ago, when he signed the latest foreign aid appropriations bill. He added that U.S. money would "go to those willing not only to talk about basic social change but who will act immediately on those reforms."

Past Presidents, of course, have sought to get more for U.S. aid money politically, as well as to press for internal reforms to insure better use of American aid. But few have been as bold or hard-headed as Mr. Johnson in their efforts to establish a new and stronger bargaining relationship.

Cutting Off Nasser

Item: In 1962, the U.S. entered into a comfortable, three-year aid arrangement to provide surplus food to the United Arab Republic. The thinking then was that by freeing aid recipients of anxiety over future food supplies or continuity of other U.S. help, their governments would be in a stronger position to undertake reform at home. But the UAR's Gamal Abdel Nasser quickly plunged into a war in the Yemen, threatening U.S. interests in Saudi Arabia, and blithely lent support to leftist rebels in the Congo; mobs burned down the USIA library in Cairo and President Nasser's planes shot down a private U.S. aircraft. Incensed, the Johnson Administration chopped off surplus food shipments while there was still \$37 million worth unsent.

Whether or not as a direct result, President Nasser later stopped helping the Congolese rebels (it was a losing game, anyway) and moved to liquidate his Yemini intervention (also a losing game). Accordingly, President Johnson let the \$37 million in surplus food go through and recently authorized new negotiations on further U.S. sales of farm products to the UAR. But Mr. Nasser will

be asked to make more of his payment in dollars instead of local currency, and this sales agreement will be on a short, six-month "string" instead of three years.

Item: Shortly after Ghana's President Kwame Nkrumah published a book assailing U.S. policy, the Peace Corps and American aid, a Ghana request a few weeks ago for \$100 million of U.S. surplus food was rejected. A U.S. spokesman politely but pointedly refused comment, when asked whether the events were related.

Most "Respectable" Reason

Even in the case of India and Pakistan, the President would almost certainly have moved toward a tougher line, without the obvious provocation of their Kashmir fight. It's true the Kashmir conflict is the chief reason he now gives; "it's the most respectable one," says one official. But LBJ's disenchantment with both countries dates back to last spring, when he postponed visits by both Mr. Ayub and Mr. Shastri, largely out of anger with Pakistan's pro-Peking line and incipient concern over India's capacity to make full use of U.S. aid.

Until just recently, however, it was not clear how much this tougher line sprang from Presidential pique and how much from a determination to recast the whole U.S. aid effort. Officials who have seen Mr. Johnson recently, however, have come away convinced the latter is the stronger influence. The evidence lies partly in intense Presidential involvement in foreign aid decisions. "He beats us over the head almost every day on the question of why we can't get more political benefit from aid programs," says one official. Others note that radical change runs through most of the innovations in aid technique now under consideration.

Reform of the surplus food program is triggered in part by the expiration next year of Public Law 480, which authorizes a variety of uses of surplus U.S. commodities in foreign aid. The larger intent is to move away from a position in which the U.S. seems to be merely dumping its excess food when it gives to foreign lands. The President wants a program under which U.S. surpluses would appear as planned overproduction to meet world needs, and therefore something for which recipients should pay through increased efforts to expand their own food production. The Administration has been alarmed by recent studies indicating that global food shortages over the next decade will create a demand that even U.S. abundance can't meet.

Also, the heavy accent on education, as the basis for all development in backward countries, would mean less emphasis on splashy, long-range "impact" programs which, once started, must usually be finished. "We lose all our leverage when we tie ourselves with these three or four or five-year deals," says one aid man. One hope is that more of the longer-range aid could be handled by international agencies and that more of the U.S. aid effort will be the sort which can be turned on or off, on short notice, depending on the recipient's economic and political performance.

INDIAN PORTS FACE JAM OVER U.S. AID

Food Ministry Thinks Flow
Could Overtax Facilities

By J. ANTHONY LUKAS

Special to The New York Times

NEW DELHI, Dec. 13—Doubts were raised here today about India's capacity to handle the massive food imports needed to meet the impending famine.

Authoritative Government sources said India's ports probably could not unload more than about 750,000 tons of food grain a month.

To reach even this level, they said, will require drastic improvements in operations at the ports. Without these improvements, it would be difficult to handle more than 650,000 tons, the sources said.

This assessment was presented today by officials familiar with port operations after today's newspapers carried a statement by the Ministry of Food and Agriculture that said the country's ports could now handle about 10 million tons of food grains a year. That is about 833,000 tons a month.

1.5 Million Tons From U.S.

President Johnson announced last week that the United States was releasing 1.5 million tons of food grains for immediate shipment to India under the American "Food for Peace" program.

The first ships bearing this wheat are expected in about six weeks. American officials here said last week that they hoped about one million tons could be unloaded in the first month of the new accelerated deliveries.

This would mean about 40,000 tons unloaded every day, the cargo carried by four grain ships or two grain tankers.

At present, with American "Food for Peace" shipments running at 500,000 tons a month, two grain ships unload in Indian ports every day.

The Indian Government estimates that it will need 10 mil-

lion to 14 million tons of imported food grains to meet the famine caused by the worst drought of the century.

Obviously annoyed that they had not been consulted before the Food Ministry's release, the officials, who asked not to be identified, gave their assessment of the situation.

"We might be able to reach the Food Ministry's figures," one official said, "if we turned over all berths to food grain ships."

However, he said this could not be done because it would mean "intolerable delays" for general cargo ships.

He said such delays would not only cause shortages in other sectors of the economy but bring large surcharges by shipping companies.

The officials said the major "bottleneck" was the port of Bombay, which could handle about 240,000 tons of grain a month if certain improvements were made.

Other capacities given were: Calcutta, 200,000 tons a month; Madras, 90,000; Kandla, 100,000; Vizagapatnam, 40,000; Cochin, about 50,000.

The Lever and the Drain

According to a story in this newspaper the other day, President Johnson plans to use foreign aid increasingly as a lever to influence the policies of other nations. This approach is sure to strike some people as callous, but it actually would be anything but that.

True, it's possible to overestimate what could be accomplished with aid as a lever. If the U.S. were willing to spend enough dollars, for example, it might be able to buy a few United Nations speeches supporting American policies in Vietnam. But that sort of friendship isn't likely to count for much when the chips are down.

Though buying friends may prove unprofitable, the U.S. certainly is under no obligation to support self-proclaimed enemies. If the leaders of a nation organize rock-throwing parties at the U.S. embassy and constantly denounce America and all its works, our Government becomes something of an international fool as it placidly goes on giving them money.

The issue is even clearer when it comes to using American aid to influence the domestic economic policies of the so-called underdeveloped nations. While doing so may sound like undue interference in the affairs of sovereign states, in reality it is both eminently sensible and downright humanitarian.

First, the U.S. should stop the wrong kind of interference. It ought not to be subsidizing foreign nations' new adventures in socialism, as it has a number of times in the past. Even aside from ideology (is this a proper activity for a nation firmly committed, in theory at least, to free enterprise?) it should encourage economic freedom for the backward countries' own good.

In two many cases, the governments of underdeveloped nations want to set up their own steel mills, national airlines and the like, mainly because they consider them fashionable things to have. Not much attention is given to such mundane matters as raw material supplies, potential markets and work force availability. Instead of fos-

tering private initiative and hard work, the leaders settle for the seemingly simple life of socialism, with all its pleasures of power for themselves.

The frequent result is that the countries fritter away their skimpy resources on the prestige projects. Little is left for more promising light industrial efforts or, even more critically, to improve the output of agriculture.

Which brings up the subject of India. Perhaps some readers are growing weary of seeing India always cited as a supreme bad example, but the sad fact is that's just what it is.

While India's politicians concentrate on trying to make it a giant of heavy industry almost overnight, the nation's birth rate outpaces the poor progress of the country's farms. Though unfavorable weather has contributed to current poor crops, a nation is in sorry shape when one year's drought equals national disaster.

The U.S. both can and should help India fend off famine. But it would be no service to India or other hungry nations to regear U.S. farm programs, as is currently being suggested, to produce still more massive surpluses to serve as a long-term breadbasket for the world. (Certainly it would be no service to the American taxpayer to turn the farm programs into an even more jumbo-sized mess.)

By its very existence, a long-term free-food supply would encourage the governments of underdeveloped nations to go along much the way they are now. They could more easily put off needed internal reforms, efforts to upgrade their own agriculture, programs to allow their economies freely to develop their true potential. Their need for aid from abroad, far from dwindling, almost surely would grow apace.

A foreign-aid lever will have to be handled skillfully if it is to move the poorer nations toward new policies. However, it is far better for those nations, as well as the U.S., to make the effort than it is to go on merely pouring dollars down the drain.

INDIA HOPES RISE FOR FULL U.S. AID

Initial Food Step Brings New Pressures, Too

By JAMES S. KEAT
[New Delhi Bureau of The Sun]

New Delhi, Dec. 16—Now that the initial hurdle has been crossed, hopes and pressures for a full resumption of American economic aid are rising here.

One example was an obviously inspired dispatch circulated today by the news agency Press Trust of India. It pointed out that only the United States has failed to release aid funds pledged for the current fiscal year.

The simultaneous rise in hopes, particularly for an appreciable increase in agricultural aid, is illustrated by an editorial in the *Indian Express* today.

"Thaw" Cited

Referring to President Johnson's decision last week to speed up shipments of surplus wheat to India and to lend \$50,000,000 for purchase of fertilizers, the newspaper said:

"The frozen economic relations have begun to thaw . . . An agreement for the supply of about 10,000,000 tons of food grains under PL 480 [the Food for Peace program] is in the cards."

The *Express* warned, however, that India should not "delude" itself that Washington's agreement to step up food shipments, currently arriving at a rate of about 6,000,000 tons a year, will be automatic.

Washington will require continuing evidence that India is taking the necessary steps to "put its sagging agriculture on a sound footing," the editorial said.

Belief Reflected

The *Express* editorial reflects the belief of at least some prominent economic officials here that American economic aid to India and Pakistan will be resumed by the end of the year.

A freeze on all aid, except for the wheat shipments, was imposed in September during the undeclared war between India and Pakistan. Most evidence indicates it will not be resumed until Prime Minister Lal Bahadur Shastri's visit to Washington in February.

At the same time, reports from Washington indicate that, after months of pessimism over the outlook for India's domestic food production, hopes are rising here, too.

These hopes are based on the emergency program outlined last week by the Food Minister, Chidambaram Subramaniam, who leaves tomorrow for conferences in Washington. It calls for a 40 to 50 per cent increase in the Government's investment in agriculture next year.

Americans Impressed

Americans are impressed not only by Subramaniam's program but also by the man himself. He is one of the ablest administrators in the Government and emits an aura of quiet confidence.

But, as the late President John F. Kennedy once remarked, it is one thing to issue an order and something else to get it carried out.

This problem which plagued Mr. Kennedy in the White House is compounded in India because of the labyrinthine chain of command which separates Subramaniam from the farmer he is trying to help.

The Indian bureaucracy is notoriously slow moving and addicted to buck-passing rather than decision taking. As its lowest levels—in other words, where it comes in direct contact with the farmer—the Administration is also notoriously inefficient.

Remark Cited

As one Indian economist remarked recently, it is more important to have an efficient administrator turning on irrigation water or delivering fertilizer at the right place and right time than to have one as Food Minister.

While Subramaniam's food program does represent a break with the past by acknowledging the need for a sharp increase in resources for agricultural development, India's past problem has not been so much plans as their implementation.

Perhaps the indisputable atmosphere of crisis on the food front will penetrate the traditionally lethargic bureaucracy. But it will take some doing.

This brings up two other problems. Subramaniam's greatest obstacle in recent months—one that is not yet finally overcome—is the fact that the states have principal responsibility for agriculture under the Indian Constitution.

The states are, if anything, less efficient than the central Government and are more responsive to farm politics, which are more potent here than in the United States.

After months of trying, the central Government has still not evolved the much-talked-about national food policy, which would govern such matters as marketing and distribution, because of dissension in the states.

On the crucial issue of imposing rationing in urban areas, the state chief ministers (governors) expressed agreement but dragged their feet until assured they would be provided adequate stocks to supply allotted amounts with a six-week buffer stock.

Now that adequate supplies of wheat from the United States seem assured, the states will probably move more quickly to introduce rationing.

Thus far the only city to adopt a new rationing program has been this centrally administered capital, although yesterday was the original target date for the major cities.

Subramaniam faces a potential problem in the states as details of this emergency program are worked out. Pressed by the need for quick results, he is planning to concentrate initial efforts on the roughly 20 per cent of arable land which is irrigated.

The proportion of farm land which is under irrigation varies considerably from state to state. This could result in an uneven distribution of the new funds for agricultural development which, in turn, could bring on political repercussions, particularly in the year preceding general elections.

The proportion of irrigated farm land ranges from almost half in the Punjab to about 7 per cent in Madhya Pradesh. Important states which have less than average proportions of irrigated land include Maharashtra, Gujarat, Mysore and Rajasthan.

All Not Rosy In Capital

All is not quite rosy in the capital either. Although Subramaniam's program was indorsed by Shastri and the Cabinet before he announced it, the political infighting is not over here. Every rupee added to agricultural development has to be diverted from some other program unless Government revenues can be increased.

New taxes may be levied, particularly by the states, but the economic slowdown, accentuated by the halt of American aid, means existing taxes will yield less than was expected.

Consequently, Subramaniam's colleagues will resist as much diversion of resources as they dare. There are also personal conflicts within the Cabinet, particularly between Subramaniam and the Finance Minister, T. T. Krishnamachari. Both ministers hail from the same state, Madras.

Great Skepticism

Krishnamachari is known to be expressing great skepticism that the impending food shortage is anything like the roughly 10,000,000 tons Subramaniam is forecasting. He is also opposed to substantial allocations of his sparse foreign exchange reserves for fertilizer, which is now the favored medicine here and in Washington for India's ailing farms.

Subramaniam, in fact, did not receive as much money to buy fertilizer, pending construction of more plants here, as he wanted.

India's Food Minister Leaves for Talks in U.S.

**Will Seek Long-Term Pact
on Wheat and Rice Aid**

By J. ANTHONY LUKAS
Special to The New York Times

NEW DELHI, Dec. 17—Chidambaram Subramaniam, India's Minister of Food and Agriculture, left today for Washington, where he will confer with United States officials on steps to meet India's acute food crisis.

Mr. Subramaniam will seek a long-term agreement for the supply of wheat and rice under the United States Food for Peace program.

The Johnson Administration will seek further assurances that the Indian Government will move decisively to increase production and end dependence on American supplies.

India has told the United States that she will need between 10 million and 14 million tons of food grains next year to fill the deficit caused by her worst drought of the century. Most of this must come from the United States, the only country with a large enough surplus.

Since last June the United States has declined to sign a new year-long Food for Peace program, insisting that India must first take some hard decisions about food policy.

Washington has been doling out the wheat on a month-by-month basis at the rate of about 500,000 tons a month. Last week, however, President Johnson au-



Associated Press

Chidambaram Subramaniam

thorized the immediate shipment of 1.5 million tons of wheat. American officials indicated that more would be available when it was needed without being bound by monthly allotments.

This was seen here as a sign that Washington was generally satisfied with the Indian Government's recent policy decisions giving new emphasis to agricultural development. American officials are still seeking firmer assurances that the Government will carry out these policies with speed and determination.

**Washington to Ask Decisive
Moves by New Dehli**

Even if he gets the assurances from Mr. Subramaniam, Mr. Johnson may prefer to hold up the signing of a new year-long Food for Peace agreement until he meets with Prime Minister Lal Bahadur Shastri in February.

It was probably no coincidence that the Indian Government announced several important steps long sought by the United States.

At a news conference Prof. Humayun Kabir, Minister for Petroleum and Chemicals, said that all fertilizer plants licensed up to March 31, 1967, would be able to set their own prices and organize their own distribution networks for a period of seven years.

He also announced the establishment of a high-level three-man committee to expedite negotiations with foreign investors in the fertilizer field.

The Government's decision to free prices and distribution in fertilizers was seen as an important breakthrough in efforts to attract foreign capital.

The United States still would like to see the Indian Government drop demands for 51 per cent ownership of joint ventures in the fertilizer field.

LBJ Prepares New Foreign Aid Goals

PRESIDENT JOHNSON is reported to be preparing a reform program for U.S. foreign aid. No details are available but enough of the trend is evident to grasp the outline of the President's goals. Those goals appear sound.

The word "practical" seems to come fairly close to summing up the President's ideas on foreign aid. He is against plans which pour U.S. dollars into vague projects abroad. He is for plans which accomplish immediate good and which—particularly—bring on a bootstraps response within the country getting the aid.

His object seems to be two-fold:

He is determined to protect vital U.S. interests in the aid program. President Nasser of Egypt already has felt the wrath of President Johnson. When Nasser permitted a U.S. library in Cairo to be burned and was found to be helping Congolese rebels, President Johnson stopped food shipments. When President Ayub Khan of Pakistan turned his American-built war machine on India rather than keep that force as a deterrent to Red China, the President reduced aid to both Pakistan and India, although he has had to keep up wheat shipments to India to prevent starvation.

The second point the President appears to favor is an end to the visionary projects which, so often, fall flat. To propound an example, India is a country not far out of medieval conditions. Can we, realistically, make India into an industrialized nation in a few decades? Many economists argue that we can. But the project is dubious, especially as long as the "fueling" must come from overseas and survive the vicissitudes of local politics in India. President Johnson, we believe, would like to ask what American aid will permit the In-

dians to do for themselves before he approves a particular form of aid.

In other words, it may be of greater value to the underdeveloped nations to do simple things, such as teaching their children to read and to understand their society's needs, than to build them a complicated factory. The factory is important but it may fail if its reasons for being are not understood by an educated citizenry. Agricultural reform faces similar tests.

Implementing reforms is going to be difficult. But we think the President is equal to the task.

One very real advantage he has gained is in the realm of practicalities. After the experience with Pakistan, no nation in the world could blame the President for insisting on tighter control of military aid going overseas.

ALSO, the food crisis is becoming tangible in fearsome and predictable dimensions. How the United States meets the problem will be supported by inevitable logic. The United States—in giving food—will increasingly have humanity's interest at heart if it gives aid in such a way as to boost the recipient nation's capacity to produce. This leverage theoretically will grow in accordance with the need for food.

Perhaps, also, the use of food—which we possess in still-abundant quantities—can replace some of the dollars we now pour into foreign aid. Our balance of payments program would gain through such emphasis. And by putting more emphasis on food, we might very well be able to encourage the industrial nations of western Europe to put up more of the technical skills which the underdeveloped nations need to round out their development programs.

MORE INDIA AID IS SEEN

Long-Range Increase In Grains Expected

By HENRY L. TREWHITT

[Washington Bureau of The Sun]

Washington, Dec. 27—Congressional leaders interested in expansion of the Food for Peace program now expect an early announcement of a long-range increase in shipment of grains to avert famine in India.

The general expectation is that the announcement will be made before the arrival here of Premier Lal Bahadur Shastri in February. But this, they emphasize diplomatically, is a decision for the White House.

In any case, Chidambaram Subramaniam, Indian Minister for Food and Agriculture, clearly left with assurances of stepped-up emergency aid after four days of talks here last week.

Apparently Got Promise

Subramaniam came to Washington to ask for 10,000,000 to 12,000,000 tons of grains over the next year, almost double the present rate. He apparently got a promise, with the understanding that hard discussions are ahead before Washington resumes other aid and before any arrangements are put on a long-term basis.

A summer drought has put the prospective Indian harvest 14,000,000 tons below the programmed volume, while the nation is contending with a population rising at the rate of 12,000,000 a year.

American and Indian representatives today signed in New Delhi an agreement covering a United States loan of \$50,000,000 for fertilizers. President Johnson announced authorization for the loan December 9, along with a supplementary authorization for 1,500,000 tons of wheat to help meet the immediate crisis.

The United States suspended all aid to India except wheat shipments in September, during the undeclared war between India and Pakistan.

Growing Movement

Full resumption is not expected before the Shastri visit. Officials here leave the impression that the Johnson Administration wants to be fully satisfied in the meantime with Indian efforts to overcome chronic economic, especially agricultural, crises.

The long-range solution also may be tied to the growing movement for a vast increase in the United States Food for Peace program which would shift domestic emphasis to more food for shipment abroad rather than to curtailment of agricultural production.

Senator McGovern (D., S.D.), whose proposed legislation has become a focal point in the movement, today predicted congressional action next year.

With American farm surpluses declining, McGovern would convert some payments to farmers from curtailment of production to encouragement of production for shipment abroad.

Accelerating Program

While the Administration has kept silent about the outlines of its program, it would be tuned to a heavy increase on Food for Peace as an arm of United States foreign policy.

McGovern's bill would provide an accelerating program, beginning at \$500,000,000 a year, for purchase of food and getting it into the mouths of hungry persons in impoverished countries.

The Senator said today he understood that the pending Administration program would fulfill at least part of his goal.

There was some concern in congressional circles and in the foreign aid agencies that the Administration program might stop short of what they have in mind.

Group On Record

A substantial group of Republican congressmen is on record in favor of McGovern's approach, and the Senator reported with satisfaction today that all three major farm organizations—the Farm Bureau Federation, the National Grange, and the National Farmers' Union—support the principle.

PRESIDENT CITES HUNGER PROBLEM

Reviews Food - For - Peace
Program Of Past Year

By MURIEL DOBBIN

[Washington Bureau of The Sun]

Washington, March 27 — President Johnson announced today that although the Food-for-Peace program is directly benefiting more people than ever before, hunger and malnutrition remain the gravest health problem of the world.

"The long-range solution to the hunger problem rests in improving the productive capacity of the developing nations themselves," the President said.

Children Helped Most

Reviewing the program during 1964, Mr. Johnson pointed out that Food-for-Peace exports reached a new high of 18,000,000 tons of agricultural commodities, with an estimated export market value of \$1,700,000,000.

Of the 100,000,000 recipients of donated American foods, 70,000,000 are children, he noted, including more than 40,000,000 boys and girls benefiting from organized national school lunch efforts.

Increasing attention is being concentrated on nutrition for the young, continued the President. Studies indicated that in some developing countries, 70 per cent of preschool children were undernourished or malnourished.

As part of the Alliance for Progress, said the President, school lunch programs in Latin America are feeding 13,000,000 children compared to fewer than 4,000,000 eighteen months ago.

Much Progress Made

The President observed that the Food-for-Peace program has come a long way since 1954 when it was considered only as a temporary means to dispose of agriculture surpluses in the United States.

"It has proved its worth as an important means to meet human need, encourage economic development and support American foreign policy," he declared. "More important, it has helped demonstrate to the world that human hunger is no longer an in-

evitable fact of life—its elimination is within our grasp."

It has long been recognized, he said, that an insufficient food supply is a leading contributor to human misery and political instability.

"More recently, we have begun to recognize that it is also a major deterrent to economic and social development. The resulting loss, in both human and economic terms, is one of the great tragedies and shortcomings of the Twentieth Century."

Farm Aid Stressed

In his messages to Congress on agriculture and foreign assistance, he underlined the need for increased attention to the agricultural sectors of less developed countries, the President recalled.

It was necessary, said Mr. Johnson, to help overcome obstacles such as the present deficiency of fertilizer, the lack of adequate government policies in establishing incentives for the farmer and the lack of education needed to improve farming methods.

In addition, he said, the Food For Peace program is contributing to the development of commercial markets for American farm products. Commercial sales of agricultural commodities overseas reached a new high of \$4,600,000,000 during 1964, more than double the sales of 1954.

PRESIDENT HAILS FOOD-FOR-PEACE

Says Program Spurs Sales
While Alleviating Hunger

By JOSEPH A. LOFTUS
Special to The New York Times

WASHINGTON, March 31—The Food for Peace program is not only alleviating hunger abroad but is also stimulating commercial markets for United States products, President Johnson told Congress today in his annual report on the program.

"There is growing indication," the President said, "of the program's substantial contribution to the development of commercial markets for our farm products as well as purely humanitarian efforts."

"Commercial sales of United States agricultural commodities overseas reached a new high of \$4.6 billion" last year, he said, "more than double the commercial agricultural exports of 1954," when the program (Public Law 480) was first enacted.

The program provides for the donation of surplus food for relief and emergency use abroad, and for the sale of such food to underdeveloped countries in exchange for the local currency, which is often lent back for economic development.

70 Million Children

The President reported that of 100 million recipients of donated foods last year 70 million were children, including more than 40 million in organized national school-lunch programs.

He said that about 40 per cent of the Government's economic development assistance overseas was in the form of agricultural commodities and local currencies received from their sale.

Food for Peace exports reached a record in 1964 of 18 million tons with an estimated export market value of \$1.7 billion, Mr. Johnson said.

He listed these highlights of the sales programs:

Sales for foreign currencies reached a record in 1964 of almost \$1.2 billion. Shipments in these sales amounted to more than 14 million tons, surpassing the peak of 13.9 million tons set in 1963.

Currencies generated by the program "are paying United States overseas expenses, conserving dollars and strengthening our balance of payments position; reimbursements to the Commodity Credit Corporation through 1964 by United States Government agencies utilizing these currencies totaled almost \$1.1 billion."

"Additional reimbursements also resulted from barter programs as United States agencies financed overseas procure-

ment of goods and services with Public Law 480 commodities. Such reimbursements from both programs totaled over a third of a million dollars in 1964."

"Our balance of payments position is also benefiting from increased activity under Title IV, long-term dollar credit sales. Almost one million tons of agricultural commodities at an export market value of \$93 million were shipped overseas in 1964 under Title IV, also a new record. Title IV dollar repayments on principal and interest from previous sales are being made in increasing volume. Repayments during 1964 totaled \$5.4 million, compared to \$2.3 million in 1963."

2

THE DUAL CRISIS OF FOOD AND PEOPLE

IT is always a shock, and a frightening reminder of tomorrow's critical problems, to be reminded of the world's increasing hunger. The shock is doubled in the United States. This is the land of surpluses and affluence that has sent billions of dollars worth of food and agricultural experts to help other nations. Yet hunger remains. And recently there have been two especially pointed warnings:

● Richard W. Reuter, special assistant to the President and director of Food for Peace, spoke, in Princeton, N. J., of the widespread starvation that is likely unless there is a sharp increase in world food production in the next decade.

● In Rome, the United Nations Food and Agriculture organization predicted a hungry future unless the developing countries increase food production four times in the next 35 years.

Both Reuter and the F. A. O. noted that the developing countries had increased food production, but that the gains have been wiped out by the population explosion. Thus the hunger problem grows worse. It is a trend that obviously must be reversed. But how?

Some of the answers appear obvious, but implementation of them is extremely difficult.

One obvious route is population control. Yet for religious and other reasons this is not an easy route. Moreover, the lands with the most serious food problems are those with the highest birth rates. The world is waiting for word from the Vatican.

Greatly increased production within the needy countries themselves is a must.

At home, the Johnson administration is toying with the idea of taking off production controls in this country and using our greater excess production to give even more help to needy nations. Nothing has been done officially, but the feelers are out. Perhaps the Reuter speech was in that category.

Always it has seemed illogical that this country would cut down on the production of food as long as there are hungry people anywhere in the world. But the big unanswered question is, who can pay the bill?

While the United States can supply more food to needy nations, it certainly cannot feed the world. The problem of hunger is not a problem for the U. S. alone. Other advanced nations would need to share in the cost, even if this country should make more food available.

Yet in the end, the ultimate solution must lie within the developing countries themselves. If a hunger crisis is to be avoided, these nations must recognize more and more the necessity for population control, and they must produce more of their own food. In one sense, too much outside help might retard progress within.

The world now has the technical know-how to produce enough food for all. If the modern methods used so effectively in the United States and some other countries could be put into operation everywhere, there would be sufficient food at least for now and for the immediate future. Providing the technical know-how is the real challenge to world leaders. But at the moment, as Reuter and the F. A. O. have pointed out, the world is fighting a losing battle. Here is a matter of the utmost concern for all nations.

U.S. OFFERS WHEAT TO HEAD OFF RISE IN PRICE OF BREAD

Farm Agency's Sales Plan
Involves Only Grain With
High Protein Content

CURRENT CROP IS CITED

Lower Than Normal Quality
Creates Market Pressure
—Millers Hail Step.

By EDWIN L. DALE Jr.

Special to The New York Times

WASHINGTON, Nov. 24—The Government, which has already moved to sell stockpiled copper and aluminum to check price increases, has now offered to sell high-quality wheat to head off a possible rise in the price of bread.

The announcement came last night from the Agriculture Department. The sale involves only wheat of a high protein content, the type that is mixed with lower quality wheats in making flour for bread.

The market price of this high-protein wheat has soared in recent weeks largely because the current wheat crop, while big, is, in the Agriculture Department's words, "somewhat lower than average in protein content."

Premium 14 to 20 Cents

For example, the premium in the Kansas City market for high-protein wheats over the price paid for ordinary wheat is now 14 to 20 cents a bushel, compared with a normal premium of 4 to 6 cents a year ago.

The Government sales will be made at current market prices or 108 per cent of the official support price, whichever is higher. At present the market price is the higher of the two.

The lowest price at which the Government is permitted by law to sell is 105 per cent of the support price. The 108 per cent figure was selected in this case because present market prices for ordinary wheat are at about that level. Thus, Government sales would not undercut the going price.

Agriculture Department officials said today that there was no way of knowing how much wheat would actually be sold from Government stocks, if any. Because the sales are at market price, there is no advantage in a buyer's taking Government wheat.

But the mere offer to sell is already having the desired effect of driving down prices. Prices of wheat for future delivery fell in New York both today and yesterday by 1 to 2 cents.

There is no wheat market price as such. Prices differ according to the wide varieties of wheat and according to the different commodity markets, with New York prices varying to some extent from Kansas City prices, for example. Futures prices also differ from "spot" prices, meaning wheat for immediate delivery.

As one example, just before the Agriculture Department action, spot prices of ordinary wheat in Kansas City ranged from \$1.66 a bushel to \$1.69, with high-protein wheats selling at 14 to 20 cents a bushel.

There is no clear evidence yet whether the offer to sell high-protein wheat will merely reduce the premium or will force back wheat prices generally.

There is not expected to be any major outcry of protest from farmers over the decision to offer the high-protein wheat. The reason is that wheat prices in general have been strong this year, well above the Government's support price.

The offer to sell, the Agri-

culture Department said, covers hard red spring wheat of 15 per cent protein and above, and hard red winter wheat of 13 per cent and above.

The Government has acquired its wheat stock over many years as a consequence of the farm price program. The total stock at the beginning of the current crop year was 820 million bushels, down sharply from the huge wheat holdings of the past but still more than the normal reserve needed against an emergency.

Stocks of the high-protein wheat total more than 100 million bushels.

The Government has disposed of surplus wheat primarily through exports, most of this in sales to poor countries for local currencies. The surplus has been reduced by keeping domestic production in check through acreage controls while, in effect, giving away the wheat abroad. The local currencies are, for the most part, lent back to the recipient countries.

Millers Pleased

Flour millers welcomed the Government's offer to sell high-quality bread wheat from its stocks. There is a definite need for these high-protein wheats, said a spokesman for the Mil-

lars National Federation, Chicago.

A representative of Pillsbury Mills said that this had been one of the worst years for high-protein wheat in history. That company, the largest flour miller in the United States, said that the Government had taken "a reasonable action in view of the current scarcity of quality milling wheats."

A representative of the Department of Agriculture pointed out that although the Government's national average support price for wheat is \$1.25 a bushel, support prices for high-grade grain run higher.

For example, the support price for No. 1 Northern Spring wheat, 15 per cent protein content at Minneapolis, is \$1.68½ a bushel. Thus the Government's minimum of 108 per cent of the support price plus carrying charges would be \$1.89½ a bushel on this type of wheat.

A spokesman for the A & P food stores said last night that prices of its own breads had not risen in recent weeks. A pound loaf of A & P bread is 21 cents, the spokesman said, and two one-pound loaves are 41 cents.

Spokesmen for other major bread bakers could not be reached for comment.

December 9, 1965

U.S. Pressed to Ease Grain-Output Curbs By Overseas Food Needs, Dwindling Stocks

By S. LAVERNE JERVIS

Staff Reporter of THE WALL STREET JOURNAL

CHICAGO—Marking a sharp turnabout from a prolonged period of grain gluts, pressure is currently building for a major overhaul of U.S. farm programs to permit stepped-up production and increased shipments to food-short nations.

One result could be a reversal of the trend toward tighter production controls and eventually the first general relaxation of restrictions since 1929 when the Government first attempted to curb farm output. Not many years ago, the U.S. seemed to be almost hopelessly drowning in a costly surplus of grains, that at times spilled over into temporary storage points such as hastily-erected tents and moth-balled World War II cargo ships.

But in the past few years, the hoarded grain has been dwindling due to strong demand from abroad, much of it met by U.S. give-away and other foreign aid programs to poorer, dollar-short nations. The situation is currently dramatized by the famine in India, the prime recipient of U.S. aid. Crop failures in Russia and other traditional grain-surplus countries also have accelerated U.S. exports, and the prospect of having to help feed a world population expected to increase 40% in the next 15 years alone is forcing a re-thinking of Federal farm policies.

Many agriculture experts are all but certain that grain output by U.S. farms will sharply increase in the next few years, whatever form future Government programs may take. The impact of this would be felt widely in the U.S. economy; increased farm income would mean greater spending for a variety of consumer goods, as well as for such specialized products as tractors, fertilizers and weed killers.

Group Forms to Seek Food Gain

Apparently planned to press Congress and the Administration to boost farm output and expand aid programs is a group being formally organized in Washington, D. C., today. The group, which expects to call itself the Committee on World Food Problems, includes representatives from a wide cross-section of the economy. Among them are major farm organizations, producers of fertilizers and weed killers, grain merchandisers and exporters, the United Auto Workers union and the U.S. Chamber of Commerce.

Robert Koch, president of the National Limestone Institute and one of the organizers, said the group's purpose is to "find a consensus and place the matter before Congress." The various factions are expected to at least strongly endorse increased food shipments abroad and long-term aid to help deficit nations increase their own food production.

Some step-up in these programs could come soon. Next year, the U.S. Food for Peace Program, or Public Law 480, comes up for renewal. President Johnson is expected to outline his proposals for PL 480 soon, probably before year-end.

Farm groups generally support a revamping of the law to permit greater shipments of food abroad and to allow the Government to purchase supplies on the open market. Shipments currently come from Government holdings of surplus farm products.

According to James G. Patton, president of the National Farmers Union, such a revi-

sion, "would be a built-in price support, and would mean an automatic relaxing of production controls." Mr. Patton, who has usually supported such controls along with price supports, adds, "I'm for releasing restrictions on production as rapidly as we can get food into empty bellies."

Herschel D. Newsom, Master of the National Grange, asserted that "we need something far more important than a mere surplus disposal policy. We've got to have authority to go into the market and buy what we need for this program. This is a change needed in PL 480, and I think we'll get it."

While blasting the "ridiculous paradox" of U.S. farmers being "penalized" for their efficiency while other nations starve, he cautioned against moving too fast, "or we'll be right back where we were five years ago with the big surpluses."

Acknowledging that grain surpluses have practically disappeared, John A. Schnitker, Under Secretary of Agriculture, said he feels present farm law gives the Government considerable leeway to boost output of grains. "If the need arose we could double our wheat output in two years," he declared. This could be accomplished through an acreage increase, which the Agriculture Secretary is empowered to permit under the wheat program signed last month. Such a move couldn't be effective before 1967, however, because most wheat for harvest next year is already planted.

Exports couldn't be substantially increased without some loosening of growing restrictions because of the dwindling surpluses. By next June 30, the wheat carryover is expected to be down to 750 million bushels, half the 1961 level. In the same period, feed-grain carryover has been reduced by one-third. Agriculture Secretary Freeman said earlier this month that he considers a 600-million-bushel wheat carryover a minimum safe U.S. reserve.

Surplus Built During 1950s

The big wheat surplus was largely built up during the 1950s. In some of those years, production outpaced consumption by as much as 30% to 40%, and despite Government programs encouraging land retirement and acreage cutting, production has held fairly steady since. Last year, for instance, output totaled 1.3 billion bushels, up slightly from 1.1 billion in 1949, though the production came from 49.1 million acres, 27 million fewer than in 1949. The reason, of course, is increased yields. Last year, farmers produced 26.2 bushels per acre, nearly double the 1949 average yield.

Heavy overseas shipments, along with the acreage reductions, have cleared out much of the surpluses. In the year ended June 30, 1965, agricultural exports were a record \$6.1 billion, nearly double the level of 10 years ago. Some \$1.7 billion of this total was shipped under direct Government programs, mainly Food for Peace.

U.S. TO SELL WHEAT TO END PRICE SPIRAL

Shipments For Indians
Believed Responsible
For Increases.

By PHILIP POTTER

[Washington Bureau of The Sun]

Washington, Dec. 15—The Agriculture Department, apparently determined to put a ceiling on recent increases in the market price of wheat, announced today it will offer all types for sale from Government stocks held by the Commodity Credit Corporation.

Officials said the action was designed to "stabilize the wheat market and prevent wild fluctuation of prices."

The Government wheat will be offered at market prices or at 108 per cent of the current support price plus carrying charges, whichever is higher. The current basic support price is \$1.25 a bushel.

At the moment, it was said, ordinary grades of wheat are selling at slightly less than the minimum level at which the Government grain will be put on the market.

Indian Link Indicated

There were indications that projected shipments to famine-threatened India of as much as 10,000,000 tons of grain—the equivalent of almost 400,000,000 bushels of wheat—may be forcing prices up in the market.

The estimate for the shipments to India under Public Law 480, governing disposal of agricultural surpluses, is highly tentative and could be reduced if port and distribution facilities there prove unable to handle such a flow.

Because of the anticipated high needs in India, Administration officials are keeping open the possibility of increasing wheat acreage allotments for American farmers next year.

They stress the belief that existing United States grain stocks, plus the capability of American farmers to nearly double wheat production in a single year, if it is needed, by using now idle lands, make not only unnecessary but unwise any idea of immediately "turning loose" the farmer.

Indian Farmer Problems

But they do not rule out some increase in wheat allotments for the crop that will be planted next fall and in the spring of 1967. A decision may be forthcoming in a few months, when the Administration will have a clearer picture of overseas requirements in the marketing year ahead.

Right now Administration farm officials are trying to solve the many problems involved in helping India through its famine.

United States capacity to send the needed wheat is clear, it was said.

Even if the United States shipped 550,000,000 bushels (15,000,000 tons) of wheat to India during 1966—a figure probably well above the famine-stricken country's ability to receive and distribute — the United States would have a reserve of 400,000,000 to 500,000,000 bushels left for strategic reserves, it was said.

Ample Stocks On Hand

Total United States wheat stocks now are estimated about 1,500,000,000 bushels. Officials said that at present rates of domestic and overseas use, the carryover on July 1, 1966 would be about 700,000,000 bushels.

A few weeks ago the department estimated the carryover next July would be 750,000,000 bushels.

Although India can take steps to improve port handling facilities, it is regarded as doubtful here that United States wheat shipments, which for months have been going in to India at the rate of 500,000 bushels a month, could be more than doubled. Top Indian estimates of grain-receiving capacity are about 1,000,000 tons, or 37,000,000 bushels, a month, but United States officials say 850,000 bushels may be closer to the actual ceiling.

Already in the pipeline to India are nearly 1,000,000 tons of wheat from previous Food-for-Peace authorizations. In addition, President Johnson approved last week the shipment of another 1,500,000 tons as fast as possible. Shipping now is being lined up.

Pakistan ports and railroads could be used to get relief shipments to parts of India, but Altaf Gauhar, Secretary of the Pakistan Ministry of Information, here with President Mohammad Ayub Khan for the latter's meetings with President Johnson, said tonight, "This would have to be discussed in the general context of our relations with India."

To feed the hungry

India's call for help in meeting its current food shortage, and President Johnson's response, serve to bring home to well-fed folk the issue of world hunger.

India's immediate trouble has been eased. Millions in that land who were threatened with empty cupboards and even famine are now assured food for the emergency. The United States hopes other wheat-producing countries will help but stands ready to supply what is needed, Washington officials promised India's visiting Minister of Agriculture. Also helpful is the United States loan of \$50 million to India for fertilizer. This fits in with that country's own bold and promising program to modernize its agriculture.

But this is temporary aid, and it is given one country only. The giant problem of world hunger remains, growing ever bigger in those lands where births outstrip gains in food output. Half the world's people, it is estimated, are underfed.

If present trends continue, 1970 will see even more serious shortages, the United States Department of Agriculture forecasts in a new statistical study. Even if some deficit areas improve their output, as is expected, the report figures that the poor-diet countries will need an additional 2 billion bushels of wheat five years hence for an adequate diet. Well over half this shortage would be in what is now Communist Asia.

Efforts of the United States to share its abundance with these people have been inadequate. This country spends \$1.7 bil-

lion a year on its "Food for Peace" program, shipping surplus stocks to underdeveloped countries, in part for diplomatic reasons. It also lends its farm experts to underdeveloped countries. But at the same time it cuts its surplus by taking cropland out of use.

Most farmers would prefer to produce freely for world needs. Leaders of the three major American farm organizations have recently endorsed such a policy. But to get the grain to hungry people abroad involves complicated matters of shipping, financing, processing, and distributing.

The problem is of vast proportions. But concerned people need not stand by helplessly, nor are they doing so. Many agencies, national and international, are at work on the problem. In the United States the effort enlists not only members of Congress and official panels but citizen groups such as the new Committee on the World Food Crisis, made up of leaders from business, agriculture, labor and so on.

Their reports point to a need for action on three fronts. Ways must be found for surplus-producing countries to share their oversupply in emergencies. Underdeveloped countries must be encouraged to provide incentives and education to increase the efficiency of their farmers. And population expansion must be slowed down.

No one country can do this job alone. This is an enterprise that can and should unite nations.

The pattern of military assistance will be largely the same: 11 countries will take more than 70 percent of the total. They are Greece, Turkey, Iran, Pakistan, India, Laos, South Vietnam, Thailand, the Philippines, South Korea, and Formosa.

Rising expenses in Vietnam could push the 11's share even higher.

Last year, Sen. J. W. Fulbright (D) of Arkansas, chairman of the Senate Foreign Relations Committee, wanted Congress to authorize foreign aid for two years at a time.

He also wanted more aid to be channeled through multilateral bodies, like the World Bank; he suggested the President be given authority to make available as much as 20 percent of United States Development funds to the bank.

The Senator's moves were defeated, but Mr. Johnson promised to consider them. He said he would ask Congress to approve "the multiyear principle" this year. Executive branch task forces have been submitting cartloads of reports on this and other proposals.

Officials expect the President to ask for authorization for a longer period than two years. This would reinforce American commitments—and also free executive officials from much repetitive testimony before congressional committees.

Officials are doubtful about success of Senator Fulbright's multilateral approach: Congress does not like it, and AID recognizes that it would, in effect, limit American assistance.

Military aid aspect

American help in multilateral agencies is usually geared to matching contributions by other nations. Officials want to keep this system—but say there are obvious instances (South Vietnam, for one) where Washington must spend more than its friends.

Senator Fulbright also wants to split economic-aid legislation from military aid. In the 1950's, military aid pulled economic aid through Congress, as the United States helped smaller nations meet cold-war threats. Today, military aid has lost much of its appeal.

The India-Pakistan war led to congressional speeches last year to end it all. Senator Fulbright does not want to spend so much of his committee's time considering it.

According to rumors, Senator Fulbright has even been considering turning over management of the 1966 aid package to Sen. Wayne Morse (D) of Oregon—a stalwart foe of the entire program, who wants to end it altogether.

Tax-credit plan

If true, this would dramatize Mr. Fulbright's unhappiness with the program in a most striking way.

The rumors have not been confirmed, however.

AID officials expect that economic and military aid will, in fact, be split this year — though not without jurisdictional disputes in Congress.

The House Foreign Affairs Committee, in particular, would like to retain control of

both segments of aid. The aid bill makes up most of its annual workload.

As in years past, the President will urge Congress to make private industry feel more comfortable about investing in poorer nations.

Specifically, he will suggest enactment of a 30 percent tax credit, to be applied against investment costs. Congress has turned up its nose in the past. AID officials strongly support the move.

The Treasury Department has also been opposed. But Rep. Hale Boggs (D) of Louisiana says he will have administration support for a tax-credit proposal of his own.

A large part of the aid story for this year will be Food for Peace and its future.

The legislation — PL 480 — expires at the end of the year. Mr. Johnson has three choices: letting it lapse and substituting new legislation, extending it with modifications, or — very likely — writing the entire food program into the foreign-aid bill as a separate title.

The President favors a more judicious use of food. American surpluses are running lower than in the past eight years, and world populations are rising.

The farm bloc wants the American farmer to throw off government controls and produce more for abroad. Sen. George McGov-

ern (D) of South Carolina prefers more emphasis on fertilizer and technical help overseas.

An indication that the food program may be tied more tightly to foreign aid came recently when the Food for Peace office was transferred from the President's executive office to the State Department.

Another aspect of foreign aid this year will be more stress on health and educational programs, including birth control.

One of the issues about PL 480 is what to do with the so-called counterpart funds earned by sales of food abroad and retained in the buying countries.

In India, counterpart funds are approaching the \$200 million mark. They lie idle. One suggestion has been to spend them on a chain of birth-control clinics in Indian villages.

AID is studying the plan.

In any case, aid this year will include more programs to tell other peoples about birth control (though they will not provide birth-control devices).

More emphasis is also expected on education programs abroad.

"We think the program is a good one today," said one AID official. "The changes we see on the way should make it even better."

Johnson brandishes U.S.

foreign-aid cudgel

By David K. Willis
Staff correspondent of
The Christian Science Monitor

Washington

The new American foreign-aid program, soon to be sent to Congress, is likely to be made of cold steel.

It will also be encased in a paradox.

The steel is President Johnson's determination to use aid more than ever before as a lever to get other countries to help themselves—and to make them more responsive to American foreign policy.

The President is described as being prepared to use "brinkmanship"—polite, but definite, warnings that aid will be halted if recipients do not toe the line.

Already this has been made clear to India and Pakistan. Egypt and Ghana have heard some plain words.

Officials here attribute a recent Cabinet change in India to the President's new firmness. Indian Finance Minister T. T. Krishnamachari resigned Dec. 31 when Mr. Johnson gave full backing to the plea of the Indian Food and Agriculture Minister, Chidambaram Subramaniam, for more American dollars for food production.

Mr. Krishnamachari wanted continued emphasis on industrial development, it is said, (though he has yet given no public explanation of his move).

"Action, not promises . . . accomplishments, not apologies," the President has said.

The paradox comes as government officials here put the President's wishes into the perspective of day-to-day aid decisions.

Yes, the officials say, aid now is honed and sharpened to the point where it can indeed be used as an effective lever.

Paradoxically this is because two-thirds of aid today is used not to keep other economies from collapse but as "development assistance"—booster rockets to maintain economic momentum.

When most of the aid was absolutely vital to the recipient—"support assistance"—officials were hesitant to cut it off, regardless of the recipient's policies.

Now the situation has changed. Officials can threaten curtailment, knowing full well other countries will be most unhappy, but that their progress will not be completely undermined.

"To use military jargon, we can now fight limited warfare with aid, instead of being tied to massive retaliation," a senior official told this newspaper.

Official doubts heard

And yet, when all this is said, some Agency for International Development (AID) officials remain skeptical at how much political influence foreign aid can really win.

Although he fully supports the President's initiatives, AID chief David E. Bell is known to have his doubts about aid as a lever.

He and other AID technicians prefer to emphasize the role of foreign aid as an economic prop to help countries reach the point where they can fly on their own.

"It's tempting to use aid to put American views across," said one source. "But in the last analysis, when we're faced with stopping or not stopping aid to a nation in dire trouble, what are we to do?"

In most cases, the answer has been that the aid is continued, in one form or another.

South Vietnam first

The President, however, is showing so much firmness now that new days may lie ahead.

Prospects are that the new program will be about the same size as last year's, that it will have some new facets, and that it will be administered differently.

Last year, Mr. Johnson asked for \$3,459,000,000. Congress reduced it only 6.9 percent, smallest cut in the program's history.

The Senate and the House disagreed profoundly on the style and shape of the AID package last year. Out of the smoke and flame emerged compromise—and promises by the President to make changes this year.

Certain basic facts will remain.

Aid now goes to 74 nations. Efforts will be made to reduce the figure. Officials say 26 were dropped last year; of these, 7 had only small programs anyway.

The bulk of aid will continue to go to a handful of nations. India has received by far the most so far, but South Vietnam is slated to receive a whopping \$550 million this fiscal year, and again next year.

Including Food for Peace sales, this will make South Vietnam the biggest single depository of American aid funds.

Pakistan, Brazil, Chile, Nigeria, Turkey, and Tunisia will eat up the bulk of the development loans (74 percent of the total for fiscal 1966). Colombia is expected to join them once it has instituted more self-help measures.

'Multiyear principle'

South Korea, Laos, Jordan, and, of course, Vietnam, will take most of the supporting assistance (88 percent) of the fiscal 1966 total.

AID BILL TO SPUR POPULATION CURBS

U.S. Taking Less Cautious
Stand—To Ask \$10-Million

By JOHN W. FINNEY

Special to The New York Times

WASHINGTON, Jan. 13—The Administration will shortly ask Congress in its new foreign aid bill for about \$10-million to help other countries curb their population growth.

The amount will more than double American Assistance for foreign population control programs and will mark the first time the Administration has specifically requested money to support such programs.

A step in the Administration's approach to the politically sensitive problem was taken by President Johnson last night in his State of the Union message. In discussing "major new directions" in the foreign aid program, the President said he would offer proposals "to help countries trying to control population growth by increasing our research and we will earmark funds to help their efforts."

While seemingly a passing reference in a lengthy address, the statement reflected a deliberate yet still cautious effort to involve the Government directly in a global population problem that associates say greatly concerns the President.

Manner Is Careful

In a careful, step-by-step manner over the last few years so as not to arouse political opposition, the Administration has begun offering foreign governments technical and financial assistance to undertake demographic studies and organize population control programs.

A year ago, in the first reference to population control in a State of the Union Message, President Johnson said:

"I will seek new ways to use our knowledge to help deal with the explosion in world population and growing scarcity in world resources."

Now the President is talking specifically of providing population control assistance and earmarking funds for it.

With as little publicity as possible, the Agency for International Development has been spending small amounts of money for foreign population control programs, largely for demographic studies thus far.

In the fiscal year 1965, the agency spent about \$2-million, about half of which went to Latin-American countries. In the current fiscal year, the spending is expected to total slightly more than \$4-million.

The money has previously come from general purpose funds, enabling the Administration to avoid possible political reactions by asking Congress for appropriations for population control. In now proposing specific funds for such a program, the Administration is likely to raise an issue on Capitol Hill, where there already are signs the policy will run into opposition.

A Question Is Raised

One influential Catholic member of the House Appropriations Committee, for example, has been asking how A.I.D. was spending money for population control programs.

The President's open declaration, however, is expected by Administration officials to have two important psychological effects. One is to encourage aid officials to stand up to opposition on Capitol Hill. The other is to encourage foreign countries to come to the United States for assistance.

After the President's State of the Union Message last year, A.I.D. informed its foreign missions that the United States was prepared to entertain requests for technical and financial assistance in family planning programs.

Partly because of the lack of publicity, the response has been limited. The only official request has come from Turkey, which wants a \$3-million low-interest loan. Informal, preliminary requests have been received from India and Pakistan, and one is expected shortly from Honduras.

Many Government officials believe the Catholic hierarchy in the United States will not openly oppose the program. On the basis of private soundings, officials are convinced the Catholic hierarchy in Latin America will tacitly support many government-sponsored birth control programs.

White House aides recently have said that while the task force findings were "grist for the mill," legislative recommendations are still being shaped. In fact, there have been hints the President may wait for an appraisal by his recently appointed blue-ribbon food and fiber advisory commission before uncorking any proposals for Congress. The panel wound up its first meeting in Washington this week with the announcement that it would study the world hunger problem and make an interim report by early summer.

The "grist," in any event, includes these basic points:

The U.S. is physically incapable of filling the global food gap that threatens if population growth continues to outstrip farm output in many areas. Nor is it desirable that the U.S. become a charitable breadbasket for all the world's needy. Hence, though the U.S. should increase its Food-for-Peace flow to some countries, the less-developed nations must vigorously push their own output toward self-sufficiency. The extent of U.S. aid should depend on what the recipient will do, in farm production and in health, schooling and population control.

What these countries need, it's said, is not only fertilizers, pesticides and higher-yielding strains of crops but the whole superstructure of rural progress: Roads, housing, cheap water and power, easy credit, farmer purchasing and marketing cooperatives and government production incentives.

Furthermore, U.S. policy-makers believe, other advanced nations should increase their own efforts to help the less-developed lands. Recently, the United Nations Food and Agriculture Organization, to which the U.S. is a major contributor, did lift its world food aid quota to \$275 million for the next three years from \$100 million over the past three. But the increase is considered only a crumb.

While the White House ponders how to proceed, a Congressional push for feeding the hungry will be starting. Democratic Sen. George McGovern of South Dakota, former Food-for-Peace director, anticipates hearings before the Senate Foreign Relations Committee on his bill to increase U.S. food and farm aid. In the House, where companion measures to the McGovern bill already are pending, Agriculture Committee Chairman Harold Cooley of North Carolina has announced he will introduce his own "war on hunger" measure that would allow greater U.S. plantings; he hopes to start hearings next month.

"American Farmers Corps"

The McGovern bill would give the Administration more than \$20 billion over the next decade, on top of existing aid levels, starting with an initial \$500 million increase the first year. Though some have assumed the money would go mostly for expanding Food-for-Peace shipments, thus opening the gate to greatly increased domestic farm output, the bill also authorizes spending for many other things: Food processing and shipping; all sorts of technical assistance, expansion of the Peace Corps and creation of an "American Farmers Corps."

In any case, some informed onlookers contend the chances for any sharp increase in U.S. production are being overrated. "The American farmer who dreams that here is a chance to escape all controls is just not reading the picture right today," says a key member of the Committee on the World Food Crisis, a recently formed Washington group aimed at coordinating the efforts of Food-for-Peace lobbyists.

Actually, though the legal authority is hazy, Secretary Freeman already takes Food-for-Peace needs, along with commercial demand, into account in figuring grain production goals and setting planting controls each year. If the Administration had tried to hold current wheat output down simply to domestic and foreign commercial demand, the surplus would have been slashed far faster than it has been.

Soybean Beverage

Still, some officials would like a clearcut legal mandate to include Food-for-Peace demand in setting planting controls. They also would like more authority and funds to upgrade the nutritive value of Food-for-Peace commodities by adding calcium and vitamins to them and by actually shipping new foods, such as a beverage made from soybeans.

As for farm aid overseas, the Agriculture Department's International Agricultural Development Service already is active on a modest scale. It sent 198 technicians abroad in the year ended last June 30 to share U.S. know-how through 48 projects in Asia, Africa and Latin America. Their efforts ranged from tsetse fly research to helping India set up a system of price supports to encourage its 60 million farmers to grow more food. In Brazil, a 19-man U.S. team is dispensing advice on a host of subjects from disease control to agricultural economics. The agency also plans and coordinates training of foreign technicians in the U.S.; a 19-man group from India spent 18 weeks last year studying fertilizer. Stepped-up programs are planned.

The Agency for International Development, which sponsors these efforts, is committing an annual \$200 million or more in loans, grants or other help for food and agriculture projects, plus added sums for power, transportation and other projects related to the farm economy. One of its biggest outlays has been a \$50 million loan to famine-threatened India for fertilizer purchases. In Turkey, which is approaching self-sufficiency in food, a University of Nebraska team is helping establish agricultural study programs at Ataturk University.

Attack on Hunger

U.S. Planners Ponder Ways to Ease World's Growing Food Shortage

Increased Self-Help Efforts, Food-for-Peace Aid Studied; America's Surplus Shrinks

Self-Interest Amid Altruism

By ERIC WENTWORTH

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — With growing urgency, U.S. planners are grappling with a momentous international problem: An increasingly hungry world is turning more and more to this bountiful country for needed food; but the U.S., with its surpluses already shrinking, will be unable to fill the food gap that looms ahead.

To fend off the specter of starvation, the planners are pondering various combinations of American help and foreign self-help. The choices finally made will hinge in part on how much room is left for welfare programs as Vietnam war spending rises.

A basic possibility under study, and backed by a lengthening line of Government officials, lawmakers and farm groups, is an increase in the U.S. Food-for-Peace program. Under this program the U.S. donates foodstuffs as well as selling them for foreign currencies or for long-term dollar repayment. Such shipments now go forth to hungry lands, led by famine-plagued India, at a rate approaching \$2 billion a year. The added flow would come out of Government and private stocks; no special large-scale increase in U.S. plantings seems likely in the near future to provide more foodstuffs for foreigners.

Pressure on Budget

But a Food-for-Peace stepup would cost Uncle Sam precious budget millions; along with the straight giveaways, sales for foreign currencies that are useless to the U.S. bring no return countable on the Federal books. So if the U.S. extends this helping hand further, it almost surely will insist that recipients step up their own food production and strive toward eventual self-sufficiency that would halt dependence on American help. To this end, the U.S. would provide these foreigners with more agricultural know-how and more cash for fertilizer, pesticides and other production essentials.

This combination, however, may well be deemed too costly to undertake at a time when military spending is bounding upward. Hence the Administration may feel impelled to skip a Food-for-Peace stepup and simply plow ahead anyway with judicious amounts of cash for such things as fertilizer and with know-how to help hungry lands. Or it may get tough and demand that Food-for-Peace recipients launch real self-help efforts to stay eligible for shipments at the current rate.

The time for some decision plainly is approaching. For key sections of Public Law 480, authorizing the Food for Peace program, are due to expire at the end of this year and will be up for extension in the current session of Congress. And interested parties, including grain dealers, farm machinery and fertilizer makers as well as farmers, already are lobbying for extension, expansion and a further shift of emphasis from mere surplus disposal toward meeting world food needs.

Some also are arguing for the bolder course of relaxing U.S. planting controls to spur production for foreign needs. They stress that once-mountainous grain surpluses, which Public Law 480 was designed to reduce when enacted 11 years ago, are dwindling. The annual carryover of wheat, the primary Food-for-Peace commodity, in Government and private hands had fallen to 819 million bushels by last July 1 from a staggering 1.4 billion bushels four years earlier; by the latest reckoning, it will shrink next summer to 700 million bushels or less. But Agriculture Secretary Freeman insists present grain supplies are ample for the near future, while adding that controls could be loosened to allow a sharp production boost in a couple of years if need arises.

Though most advocates of stepped-up food and farm aid invoke the specter of widespread world hunger if strong steps aren't taken, there's obviously a large measure of self-interest for many. Farmers, farm suppliers and others who profit from tilling of the soil see the chance of greater income, especially if there is some increase in U.S. output to supply overseas food needs. Improving foreign diets and agricultural economies offer a potentially rich market for sales of U.S. fertilizer and farm equipment, as well as greater commercial demand for American foodstuffs; Japan, once a recipient of Food-for-Peace charity, today is this country's largest dollar market for food exports.

Broad national interest is at stake, too. The makers of U.S. foreign policy see feeding the hungry as a means of brightening the nation's image overseas and as a carrot to draw other governments closer into line with Washington's wishes. Also, they believe, relieving hunger removes one source of war and despotism. As President Johnson once put it: "Men with empty stomachs do not reason together."

President Pledges Aid

Mr. Johnson repeatedly has pledged steps to feed the world's hungry. In Wednesday night's State of the Union Message he promised a "world-wide attack on the problems of hunger and disease and ignorance" and added: "We will place the matchless skill and the resources of our own great America—in farming and fertilizers—at the service of those countries committed to develop a modern agriculture." Though the White House hasn't spelled out specific proposals yet, Administration task forces have been busily sizing up world food needs and possible U.S. responses.

One basic text, a study by Agriculture Department economist Lester Brown, concludes that as their populations mount faster than farm production, the less-developed nations are losing the capacity to feed themselves. A more recent Government study adds, however, that some nations, including Mexico, Israel and Taiwan, have had encouraging success in increasing food output when they put their minds to it.

U.S. to End Freeze in Aid for India and Pakistan

Special to The New York Times

WASHINGTON, Jan. 21

Secretary of State Dean Rusk said today that the Tashkent accord between India and Pakistan opened the door to the resumption of United States economic aid to the two countries.

Mr. Rusk's statement was the first public announcement by the Administration of its intentions to resume economic aid to India and Pakistan — two of the largest recipients of foreign aid. Economic aid was suspended last summer, and, with the outbreak of the Indian-Pakistani war over Kashmir last September, the suspension developed into a prolonged freeze on new aid commitments.

Mr. Rusk said at his news conference that the United States was "very much encouraged" by the results of the Tashkent accord. Under the agreement, reached at the central Asian city under Soviet auspices, India and Pakistan agreed to the withdrawal of

**Rusk Says Tashkent Accord,
Asking Troop Pullback,
Makes Step Possible**

their troops to positions held before the outbreak of hostilities, to an exchange of prisoners and further discussions to resolve their differences.

In recent weeks there has been a growing realization within the Administration that aid could not be suspended much longer without slowing economic growth in both countries. The previously committed aid, which had continued, is coming to an end.

Because of the aid suspension the United States has not fulfilled a pledge it made last spring, as a member of a consortium of the International Bank for Reconstruction and Development, for \$435-million in economic aid to India this year. At Washington's request,

another World Bank consortium meeting, at which the United States expected to pledge about \$200-million in economic aid for Pakistan, was postponed indefinitely.

Help for Self-Helpers

Johnson Would Toughen Foreign Aid By Revamping Emphasis, Eligibility

By PHILIP GEYELIN

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—The cost would remain the same, but the conduct of President Johnson's new foreign-aid program would toughen substantially, judging by the annual Presidential message dispatched to Congress yesterday.

If the lawmakers are willing, the format will be altered, too: Mr. Johnson asked for a five-year authorization for both economic and military assistance, and he proposed that the two portions be considered separately by the Congressional committees concerned. These suggestions, certain to stir disputes, may come to nothing, though, as the House at least leans towards a year-at-a-time approach and because Congress is free to treat the aid program in whatever form it wishes.

But the "basic changes" sought by the President, both in the kinds of aid stressed and the rules for giving and receiving it, are likely to be made. If carried through as the President pledged yesterday, they would bring the biggest revolution in U.S. assistance overseas since the postwar Marshall Plan.

Partly it's a matter of emphasis; the President has put education, nutrition, health and population control at the head of his list of priorities, as fundamental prerequisites to the long-term economic-development projects and direct cash grants that have dominated aid thinking in the past. Special messages on international aid to health and education and overseas food programs will go to Congress later this week.

Stress on Self-Help

But partly the change is in attitude, and it is all in the direction of making it tougher for aid beneficiaries to qualify. Behind this lies a profound belief held by Mr. Johnson that U.S. foreign aid, as he put it yesterday, should "concentrate on countries not hostile to us" and that "give solid evidence that they are determined to help themselves."

Although the U.S. has been emphasizing self-help for years in administering aid, no U.S. President has stressed it publicly in anything like the terms Mr. Johnson employed.

The U.S. is "unwilling to subsidize those who do not assume responsibility for their own fate," he declared. He also said that "nothing can replace resources wasted in political or military adventures," an obvious allusion to last year's India-Pakistan fighting, the Mideast troublemaking of Egypt's President Nasser, and Indonesia's quarrel with Malaysia.

"Those who do not fulfill their commitments to help themselves cannot expect help from us," the President stated, and at another point, added: "Neither can we nor they afford waste, and we will not continue any partnership in which only we recognize that fact."

That sort of talk is music to the ears of foreign-aid critics on Capitol Hill, and it has to be assumed the President labored the point for their benefit. But it must also be recognized that promises of hard-headedness, made so emphatically, will be harder not to keep. That Mr. Johnson almost certainly intends to keep them is evident, too, from his record, for the aid reforms outlined yesterday have been developing over many months.

Pakistan and India last spring were first to feel the President's wrath when visits by their government chiefs were abruptly post-

poned. Pakistan stirred the Johnsonian ire by flirting too openly with Red China and by publicly opposing the U.S. effort in Vietnam; India did so partly by its attitude on Vietnam but also by its refusal to do enough itself to promote food production and ease its dependence on surplus U.S. agricultural commodities. When the two nations fell to fighting last fall, all U.S. aid was stopped, and yesterday Mr. Johnson specifically warned them that it won't be resumed "until we are reasonably certain that hostilities will not recur."

Egypt was cut off the list of surplus-food recipients because President Nasser persisted in stirring up trouble in the Congo as well as threatening a U.S. ally, Saudi Arabia, by pursuing a war in neighboring Yemen. Only when Mr. Nasser lost interest in the Congo and started to extricate himself from the Yemen conflict was U.S. food aid restored, and then only on a six-month basis rather than the previous three-year arrangement. As for Indonesia, its virulent anti-Americanism and loud threats to Malaysia brought a complete cutoff of the U.S. aid effort there.

U.S. officials say the test, in Mr. Johnson's thinking, isn't anti-Americanism as such but anti-American acts or words that actually cause trouble, especially political trouble at home. A burning of a U.S. Information Agency library that passes relatively unnoticed in the U.S. wouldn't stir the same sort of response from Mr. Johnson as one that causes a storm of protest in Congress against the entire concept and conduct of foreign aid.

Aid men have dubbed this the "short-string" approach, and it fits the other key aspect of the Johnsonian aid philosophy, which stresses programs to deal with elementary human needs rather than grandiose development projects. Large-scale development efforts, once begun, are hard to back out of, while projects dealing with elementary needs can be administered year-to-year, or even month-to-month, as the performance of the recipient merits it.

Other Eligibility Factors

But politics will by no means be the only aid test. Sound trade and monetary measures, a warm welcome to outside private investment, land reform, an end to outdated and discriminatory tax structures, efforts to curb inflation and a general willingness to engage in social as well as economic reform will also be weighed.

Good intentions, however, won't be enough, the President said, reciting an earlier declaration that "action, not promises, will be the standard of our assistance."

As part of his sales pitch, Mr. Johnson stressed that 90% of the development lending appropriation requested, totaling \$665 million, is destined for five countries—India, Pakistan, Turkey, Korea and Nigeria—and that this amount is subject not only to Indian-Pakistani peace but to Nigeria's recovery from its recent political upheaval. More than 75% of military aid, he added, would go to nations bordering on either Russia or Red China.

The President also noted that Vietnam, earmarked for \$550 million in economic aid appropriations, accounts for the largest single portion of the Administration's request for "supporting assistance," a form of direct aid to shore up weak economies, improve their balance-of-payments positions and help meet daily government costs. By switching rapidly rising military aid for Vietnam to the defense budget, both for the remainder of the current fiscal year and for the year starting July 1, the President was able to show a modest drop in all other military assistance, from \$920 million this year to \$917 million in the next fiscal year.

For all forms of economic aid, administered by the Agency for International Development, the President asked for appropriations totaling \$2,469,000,000, hardly changed from the current year's \$2,463,000,000. But as his budget indicated earlier, these sums don't include U.S. contributions and expenditures through a variety of multilateral aid institutions, including the World Bank and its lenient-lending offshoots, the International Development Association, the Inter-American Development Bank, and the Asian Development Bank currently being set up.

Multilateral Approach Emphasized

The President stressed the multilateral approach, which is certain to appeal to Chairman Fulbright (D., Ark.) of the Senate Foreign Relations Committee. A critic of many aspects of foreign aid, Sen. Fulbright has been threatening to wash his hands of the whole affair, which would leave the bill's management in the Senate to the mercies of an even more violent critic, Sen. Morse (D., Ore.). Mr. Fulbright is also likely to approve of a five-year authorization, as he chafes under the load of long annual hearings on foreign-aid authorizations; under the five-year plan, only the Appropriations Committee would be obliged to go through full-dress hearings in the intervening four years.

But what pleases Sen. Fulbright on this score displeases the House Foreign Affairs Committee. Because it lacks the Senate's responsibilities for treaties or ambassadorial appointments, foreign aid is almost its main reason for existence. Chances are slim, therefore, that Mr. Johnson will get five-year authority, although the principle of multiyear authorizations has already been put into practice with the Latin American Alliance for Progress and with long-term development lending, where greater assurance of continuity is considered of special importance to the recipients. Most experts believe the President would settle for a two-year authority.

Although the President will spell out his health, food, education and population programs in greater detail later this week, he outlined some of these plans in yesterday's message:

—A variety of aid to overseas agriculture will account for \$500 million of spending in fiscal 1967, he said, up one third from the current year; one third of the new total will finance exports of U.S. fertilizer to needy nations.

—Education aid will total \$200 million, a 50% increase from current levels, with a good part of this money going to construction of schools and universities abroad.

—Health programs will increase by two-thirds, to \$150 million, to finance efforts to combat disease, to train doctors and nurses, and to pay for community water-supply projects.

The message also forecast a switch in military aid from grants to sales and predicted sales of \$1.5 billion in U.S. armaments to foreign nations in fiscal 1967. Officials said this move would make the military-aid effort a net plus in terms of the U.S. balance of payments.

Throughout, the message stressed Governmental efforts to promote private investment as a part of the aid effort by greater use of existing programs and incentives.

Aid program accents self-help

By Saville R. Davis
Staff correspondent of
The Christian Science Monitor

Washington

On paper at least, the new American foreign-aid bill is a lean and shrewd document that will make an increasingly stern and severe requirement of self-help.

Its intent is to provide new and more hardheaded directions for this program.

"I propose to carry forward the best," said President Johnson's message to Congress, "... and cut out the worst."

So doing, he has drastically cut the large, amorphous "contingency fund" from \$240 million to \$70 million. And he is concentrating the "supporting assistance" fund more heavily in South Vietnam where it is urgently needed, trimming it elsewhere.

These two categories have contained many of the items that historically have played into the hands of local politicians or created dollar import credits that could be twisted into local speculation or private gain.

Essential items

Instead, the President has added to the budgets for the following, which he considers the most essential:

Food and agriculture, population control, education, public sanitation, and elemental health services.

There are a number of other new directions:

The United States is prepared to insist that private enterprise and incentive be given a welcome and encouraging climate.

Loans are to be expanded at the expense of grants.

Sales of military equipment are to be en-

larged at the expense of grants (the ratio is now nearing two to one). And the military aid program is to be tightened up. Vietnam aside, it will be cut by half.

The aid program is to be further concentrated in a smaller number of countries. In the next year, 92 percent of economic aid will go to 20 countries (there are groups in Latin America, Africa, and Asia), and 84 percent of the development loans will go to eight countries (Brazil, Chile, Colombia, Nigeria, Turkey, Korea and, if their dispute is satisfactorily resolved, India and Pakistan).

Bills separated

the urgent and repeated demand of Sen. J. W. Fulbright, who is normally the Senate floor manager of the foreign aid, the bills for economic and military aid will be separated. This will enable both public and Congress to understand the foreign-aid funds more clearly.

Multilateral aid institutions, especially the great regional international banks, are to be given special emphasis.

Countries receiving aid, and their neighbors, are to be encouraged to form regional economic associations, where possible.

The entire program is to be put on a basis of five-year basic authorizations. The actual appropriations of money will be voted each year.

All these changes of emphasis make for a program that is more taut and subject to United States controls, and less likely to be diverted into less important or venal local directions.

President Johnson is using strong language in support of these new directions. "We must concentrate," he told Congress, "on countries that ... give solid evidence

that they are determined to help themselves." He is "unwilling to subsidize those who do not assume responsibility for their own fate."

It is generally assumed in Washington that as long as David E. Bell remains the top administrator of the foreign-aid program, the President's words will generally be turned into actions. Mr. Bell is widely respected by Congress and his colleagues here as an administrator who understands his job and means business. He has been called the "McNamara of the aid program."

The Johnson-Bell approach seeks to supplant the "old days" of the foreign-aid effort when the administration in power kept most of the reins in its own hands and kept Congress in the dark as to what was spent and done and under hard-bargaining procedures over the annual funding of the program.

Special budget

It is not yet possible to appraise the full scope of the Johnson international programs for the coming year. Messages are still to come on his plans for international education and public health, and his proposals for broadening the base of international trade and currencies. These all bear on the main problem of international development.

The over-all size of the program is modest. The outlay for economic aid remains the same (the difference on paper is only \$6 million) as last year — with the international shifts of emphasis noted above.

The military program cannot be accurately estimated, because of the war in Vietnam. The appropriations for Vietnam have been transferred to a special budget. The remainder, as already indicated, has been cut by half.

For. Aid

PRESIDENT HOLDS INDIA FOOD TALKS

Congressional Leaders Get Report On Famine

Mrs. Gandhi pledges rice to help people in Kerala: . . . Page A 6

By PHILIP POTTER

[Washington Bureau of The Sun]

Washington, Feb. 3—President Johnson summoned key members of both parties in Congress to the White House tonight to give them the grim details of the food famine in India and tell them what he proposes to do about it.

He had at hand a report from Clarence Eskildsen of the Department of Agriculture, who headed a team from his department, the Maritime Commission and the Agency for International Development that has just completed a survey of the drought and famine conditions in India and of port facilities through which aid from the United States and other countries must flow.

The report is said to have fully demonstrated the need for shipment of 10,000,000 to 12,000,000 tons of food grains to India this year and to have stated that port and rail facilities there can handle such a flow.

Economy Sluggish

In part this is because the Indian economy, for lack of capital, has been so sluggish that port facilities once used for industrial imports are available for food handling now instead.

Mr. Johnson talked for two hours yesterday with India's Ambassador, B. K. Nehru, just back from several weeks in New Delhi.

Their discussion touched not only on the food situation but also on the prospects for improved Indo-Pakistan relations as a result of the agreement reached in Tashkent between President Mohammad Ayub Khan of Pakistan and Prime Minister Lal Bahadur Shastri of India a day before Shastri's death in the Soviet Central Asian city.

Last December 9, Mr. Johnson authorized the shipment to India of 1,500,000 tons of wheat to alleviate the famine caused by one of the worst droughts in Indian history.

Last Of Wheat Going

The final movements of that wheat will leave the United States within the next week or so, and the President is faced with a decision on a follow-through authorization.

It is not expected to be in terms of the long-term agreement India has been seeking for food aid, but informed officials said it would be "a substantial interim chunk," adding that Washington's effort is to get into India about 1,000,000 tons a month if adequate shipping can be arranged.

The United States has been trying hard to enlist other countries in the famine relief effort, but so far with not too much success.

Canada has offered \$15,000,000 worth of aid, including 130,000 tons of wheat and some milk, all to be shipped by March 31, and it may come forth with more assistance later. The Australian Cabinet is said to be deciding now on what it can do, but no formal replies have been received from that country, from France, New Zealand or Argentina, which have surplus grain.

Loan For Fertilizer

Washington also has suggested to West Germany, which has no grain surplus, that it provide fertilizers and tractors to help with next year's crops in India. Last December Mr. Johnson announced a \$50,000,000 loan to India for purchase of fertilizers.

Britain, too, has been asked to do what it can, and a British authority in grain handling accompanied the Eskildsen mission to India, as did a Norwegian shipping expert attached to the United Nations Food and Agriculture Organization. India has asked Scandinavian countries to help provide ships for grain movements.

Just how the Indian predicament will be tied into the international food programs Mr. Johnson is readying for submission to Congress, probably next week, is not known, but he presumably went over with the congressional leaders tonight some of his thinking on that score.

There has been some pulling and hauling between the State Department and the Department of Agriculture as to the control of policy as the United States moves to alleviate growing international hunger through a variety of programs. These range from help with population control measures to aid for the proposed establishment of institutions that would correspond to the land grant colleges that have helped produce agricultural abundance here.

Help for the self-helping

The words and the direction are right. But the real test comes with the performance. We are referring to what President Johnson calls "the new look and the new purpose" of the fiscal 1967 foreign aid bill. In asking Congress to support a \$3.390 billion program, the President over and over again promised that funds would go to those lands not hostile to the United States and which "give solid evidence that they are determined to help themselves."

Except under very special circumstances (such as widespread hunger or unusual national calamities) which require emergency action, aid should indeed go to nations ready to make the most of it. This is, in fact, the only efficient and self-respecting way wherein aid can be given and taken.

We also believe that there is much justification for the stricter pinpointing of aid toward certain restricted but crucial targets. These include a 50 percent increase in aid to education, a very much higher priority on helping aid recipients check population growth, and equally sharpened emphasis on the improvement of farm techniques and of sanitation and health programs. Such programs as these get to the root-heart of much of the world's poverty, backwardness, and lack of progress.

What we miss in the President's message is any clear-cut indication of how Washington will ensure that help does indeed go only to self-helping lands. Will clear criteria be set up? Will there be regular and thorough checkups and analyses? Will help be halted (after due warning) if it is deemed that a country is not truly

striving to do its part? Without a for-all-to-see willingness to take stern steps can Washington hope to bring about "the new look and the new purpose"?

It is true that President Johnson detailed five general steps which aid recipients would be expected to take. These call for land reforms, tax changes, a population policy, inducements to foreign investments, improved farming techniques, more schools, and "hard, unremitting" work. These are indispensable steps and a willingness to take them should be a prerequisite for American help.

Subtracting special funds for Vietnam, the latest foreign aid request is a shade lower than last year's (according to one set of figures the lowest in the whole 18-year history of foreign aid). Furthermore, there are several important improvements. One is the proposal to split foreign aid from military assistance. A second is to seek congressional approval for long-term aid commitments rather than brief one-year allocations. These are steps toward greater efficiency.

This year, as last, most of the foreign aid will zero in on a handful of lands showing greatest need and promise. This, too, is an efficient approach.

President Johnson was unquestionably right when he said that the grim conditions in many areas of the world threatened everyone's future and America's security. The United States cannot sidestep a major effort to help solve these problems. Yet it is equally true that America cannot seek to carry others on its back or bear too great a load alone. He was right to challenge "all nations, friend and foe alike, to join this battle."

3,000,000 Tons Of Grain Granted India By Johnson

By ADAM CLYMER
[Washington Bureau of The Sun]

Washington, Feb. 4—President Johnson allotted 3,000,000 tons of grain as immediate emergency help to famine-struck India today and announced he planned to ask Congress for legislation supplying still more. Just how much he will ask Congress to provide is not yet definite, Mr. Johnson said.

He explained that he would ask "other countries to come in and contribute," but did not know how they would respond.

Today's announcement of 2,000,000 tons of wheat and 1,000,000 tons of corn "to be shipped as quickly as possible," followed meetings last night with congressional leaders and this afternoon with Orville Freeman, Secretary of Agriculture.

He estimated the value of the wheat at \$160,000,000 and the corn at \$45,000,000.

Terrible Drought

The President said it brought to 3,500,000 tons the total allotted this fiscal year to India, which is suffering one of the worst droughts in its history. The last allotment, of 1,500,000 tons December 9, has almost all been shipped.

Mr. Johnson told a mid-afternoon press conference in his White House office that further aid matters would be discussed when India's Prime Minister, Mrs. Indira Gandhi, visits Washington. He gave no date, calling that "a matter for her to announce. She is welcome any time she can come."

"I plan to see the Prime Minister at her convenience," he continued, "and we will try at that meeting to go further into the problems, the mutual problems, to try and 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."

The President said that he would not "preclude" any other economic aid to India in the interim, but stressed that he expected Mrs. Gandhi to visit "in the reasonably near future."

The President said that immediately, however, he was dealing only with India's "most urgent" need. "That is food," he said.

Loan For Fertilizer

Except for food and a \$50,000,000 fertilizer purchase loan also announced December 9, new commitments of aid have not been made to India during the current fiscal year.

The President again emphasized that this deferral had been caused by his waiting until Congress last year passed the foreign aid authorization and appropriation for this fiscal year, so that the Administration could discuss aid with Indian officials after it was "in a position to know what we were authorized to do."

The President did not mention

his announcement at the outbreak of the Indo-Pakistani hostilities over Kashmir that he was halting aid to both countries.

After Mr. Johnson's meeting with President Mohammad Ayub Khan of Pakistan in December it was announced that the aid embargo was not discussed. But that meeting emphasized hopes for success at the India-Pakistan meeting over Kashmir in Tashkent, U.S.S.R., in January, and the agreement reached there may be a factor in the President's attitude on aid to India.

Secretary Freeman, talking to reporters after seeing the President, confirmed that Indian port and rail facilities could handle 1,000,000 tons of grain a month—a figure that matches the 10,000,000-to-12,000,000-ton need reportedly estimated for India this year by an Administration team that surveyed the situation.

The President declined to say precisely what India's need was, or how much the United States would supply. But he spoke of a shortage of 19,000,000 tons and added "they are taking steps to ration and pull that down to several million tons—6, 7, 8, maybe down to 11,000,000 or 12,000,000."

The President said he had a "detailed report" yesterday from B. K. Nehru, Indian Ambassador here.

Freeman said the President was "reviewing a number of alternatives" on providing food to India, and a few minutes later the President confirmed this, saying, "I haven't even told the Secretary the amount. I have been studying this since he left here."

Freeman said he expected no problem about American wheat reserves. "We'll have comfortable reserves under any circumstances I can see." He estimated "a carryover of 1,300,000,000 bushels at the end of the crop year, depending on what we do about Food for Peace and India."

Mr. Johnson made it clear that his coming requests to Congress would be distinct from his new plans for the Food and Peace operation, expected to be sent to Congress soon.

The additional legislation, he said, "will be discussed with the Indian Government."

"We are formulating legislation that will be discussed and debated and sent to the Congress unless we change our mind," he continued.

"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."

He said his request to Congress would amount to "a rather substantial increase in allotments." American wheat shipments to India reached 6,000,000 tons last year after an annual level of 4,000,000 between 1961 and 1964. Last spring India unsuccessfully sought a new 2-year agreement for 7,000,000 tons a year.

U.S. TO INCREASE GRAIN SHIPMENTS FOR INDIA FAMINE

Johnson Orders Movement
of 3 Million Tons, Nearly
Doubling Year's Relief

By FELIX BELAIR Jr.
Special to The New York Times

WASHINGTON, Feb. 4 — President Johnson authorized today the shipment of three million more tons of grain to India for famine relief.

In announcing the action at an impromptu news conference, he said the grain would be shipped "as quickly as possible." [Statement, Page 8.]

The President also let it be known that he was considering a request to Congress for emergency legislation authorizing him to step up American food shipments substantially and to take the lead in marshalling contributions from all other countries to relieve the famine in India. [Question 1.]

Mr. Johnson said that the newly authorized shipment would include two million tons of wheat; worth about \$160-million, and a million tons of "maize," valued at from \$65-million to \$50-million. Food officials said the maize was a grain sorghum called milo.

Will See Mrs. Gandhi

He said he was planning to see Prime Minister Indira Gandhi here in Washington in "the reasonably near future" and at her convenience. He said they would discuss mutual problems and measures that might be taken by the governments and people of India and the United States to help each other.

The precise time of Mrs. Gandhi's visit to Washington is a matter for her to announce, the President said. [Question 3.]

In response to a question, he said that he would not foreclose or preclude the resumption of conventional economic foreign aid to India pending the Prime Minister's visit. Aid to both India and Pakistan was cut off with the outbreak of border fighting last year.

Plan Still Being Formed

At the moment, he said, he is passing only on the most urgent matter of emergency food allocations. These, he said, would bring total grain shipments to India to 6.5 million tons in the current fiscal year, ending June 30. [Question 4.]

The President emphasized that the emergency food legislation under consideration was still in the idea stage, that its form remained to be determined and that it might not be submitted at all. He did not indicate whether the legislation was one of the matters he planned to discuss with the Prime Minister.

However, the President said that the plan he had in mind would be entirely apart from the message to Congress next week outlining a permanent Food for Peace program to replace the expiring Public Law 480. This statute, which authorized the sale of surplus United States farm commodities for local currencies, terminates June 30. [Question 6.]

Some officials speculated that the President would ask Congress for authority to dip into the strategic food reserve and make famine relief shipments that would put domestic carry-over supplies below the prudent reserve levels defined by Congress in the omnibus farm legislation last year.

It was assumed that any such move would include provisions for proportionate contributions toward India's relief by other countries with food surplus. India, in originally estimating crop damage from one of its worst droughts in a century, hoped that most of its food requirements could be supplied by the United States.

The President placed India's grain deficit at 19 million tons but said the New Delhi Government hoped to reduce the shortage through rationing to 11 million or 12 million tons. [Question 7.]

Earlier in the day, Mr. Johnson conferred at length with Secretary of Agriculture Orville L. Freeman, who said on leaving the White House that the President had not made up his mind what to do about India.

About 45 minutes later Mr. Johnson called newsmen into his office. After announcing his 3-million-ton authorization, the President said:

"I haven't even told the Secretary the amount. I have been studying this since he left here.

Calls for Global Support

"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 it can."

As he left the President's office, Secretary Freeman said the United States had "about 1.3 billion bushels" of wheat on hand and would have "comfortable reserves" no matter what India's requirements might ultimately be.

Advocates of expanding the nation's major crop acreage to help feed the hungry populations of developing countries contend that whether the reserves referred to by Mr. Free-

man are comfortable depends on whether the wheat crop now in the ground produces an average harvest or better.

Backs Freeman's View

In support of the proposal to return to cultivation all or part of the 55 million idle acres that farmers are now paid not to plant, the expansion advocates in Congress argue that a drought such as the nation experienced in 1936 and 1938 would reduce present comfortable reserves to several months' supply.

However, the President appeared to reflect the Secretary's view. When asked to say how his projected emergency relief legislation might affect the American farm situation, he replied:

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

Question 2.

Asked whether the aim was to try to get grain allotments to India up to a million tons a month, the President replied, "We don't have any aim, goal or objective. We want to do whatever we can."

Question 5.

In deciding the additional allotment of grain to India today, the President had the benefit of an interagency study group's report and recommendations. The group returned from India several days ago apparently convinced that shipments of from 10 million to 12 million tons of grain could be moved through India's ports and inland by rail in the year ahead.

In the next week or two, the last of the 1.5 million tons of wheat that the President authorized for India last Dec. 9 will move from Pacific ports. An additional authorization of grain had been urged by the study group to prevent any hiatus in the chartering of scarce shipping.

The United States has been trying hard to enlist other countries in the famine relief effort but, so far, without very much success.

February 10, 1966

PORT TO MOVE INDIA GRAIN

As Much As 1,000,000 Tons
May Be Handled Here

Other maritime news...Page A 5

By ALBERT J. DENNIS

Baltimore will play a major role in the big push to move grain to famine-stricken India, and as much as 1,000,000 tons may move through this port, it was revealed yesterday.

A spokesman for the Department of Agriculture in Washington said that one third of the 3,000,000 additional tons of grain promised to India by President Johnson will be shipped through the East Coast.

Other informed sources admitted Baltimore would probably get the lion's share—if not all—of that 1,000,000 tons.

"Shot In The Arm"

G. Ernest Fischer, president of the Baltimore Chamber of Commerce, the local grain exchange, said other East Coast ports, such as Norfolk and Philadelphia, will not offer much competition to Baltimore because their grain-loading operations are private instead of public facilities.

"It will be a tremendous shot in the arm for this port if we get most of that shipment," Fischer said.

Large grain movements destined for India are already moving through Baltimore. The United States-flag freighter, Transeastern, is scheduled to arrive here this week to pick up 42,000 tons of grain for India.

In what is termed a new operation for this port, the grain is being shipped via "unit train loads" of covered hopper cars.

Patterned after the unit coal train concept, large numbers of covered hoppers—as many as 50 or 60—are loaded at points of origin and shipped directly through, nonstop, to ports of embarkation.

The Department of Agriculture spokesman, who said that utilizing the hopper cars for grain carriage also is an innovation for Baltimore, also emphasized that the through shipments are helping to expedite the grain movements to India.

Racing The Monsoons

"Our primary concern," he said, "is to get this food to India before the monsoons hit."

The big food push will be concentrated in the months of February, March and April, he added.

Another advantage of the new hopper car is its greater capacity in comparison to the traditional box car.

A hopper car carries about 33,000 bushels of grain, while the average box car only carries 2,000.

Railroad officials also noted that using the hopper cars is also releasing the box cars for carrying other freight. The rail lines are presently experiencing a shortage of box cars.

"Quickly As Possible"

The grain being shipped through Baltimore is coming primarily from Minneapolis and St. Paul, although some is being shipped from Buffalo.

President Johnson announced the additional allotment of 3,000,000 tons of grain last Sunday in Washington.

Two million of this is wheat and the remainder is sorghums.

Mr. Johnson called for the shipments "as quickly as possible" to alleviate the famine caused by drought in India.

February 11, 1966

JOHNSON BEGINS WAR ON HUNGER

Food - For - Freedom Talk Stresses Self-Help

By MURIEL DOBBIN

[Washington Bureau of The Sun]

Washington, Feb. 10—President Johnson today urged that America lead the world in a war on hunger, but underlined his determination that help will go to countries which help themselves.

"The time is coming when even the fabulous abundance of America will not be enough to feed the world's hungry millions," declared the President.

"The answer is for these nations to develop their own capacity to produce the food their people must have. They must learn to depend less on us and more on themselves."

Self-help among the developing nations, which the President described as the "key to victory" in the battle with hunger, was the keynote of the Food-for-Freedom Message which he sent to Congress today.

The Food-for-Freedom Message, which is an expanded version of the Food-for-Peace Program, confirmed reports circulating since last November that Mr. Johnson was planning a wider and broader use of the nation's agricultural productive capacity than contained in Public Law 480, which dealt chiefly with the disposal of farm surpluses.

The proposed program could involve sending \$2,800,000,000 worth of American food overseas in 1967, an increase of \$400,000,000 over the amount now being shipped abroad. It will eliminate the requirement that food aid come from surplus stocks, and it will provide American technical assistance for farmers in hunger-stricken lands.

In addition, the President has instructed Orville Freeman, Secretary of Agriculture, to increase the 1966 acreage allotment for rice by 10 per cent to meet the "unprecedented demands" of drought and war in Asia.

Freeman has also been directed to buy limited amounts of dairy products to cope with needs at home and abroad, and also to take action to encourage increased soybean production to bolster reserve stocks. These moves supplement earlier decisions to increase this year's wheat and barley production.

The President conceded in his special message that even with maximum efforts abroad, American food aid will be needed "for many years to come."

The President devoted a considerable part of his message on food to the problems of improving local agriculture and the need for self-help on the part of hungry nations.

He pointed out that despite the massive American programs of assistance, which included providing 140,000,000 tons of food overseas in the past decade, the problem of world hunger is more serious than ever.

"Populations are exploding under the impact of sharp cuts in the death rate," he noted. "Lives are threatened by hunger because food production has not kept pace."

He emphasized, "A balance between agricultural productivity and population is necessary to prevent the shadow of hunger from becoming a nightmare of famine."

The President suggested that many of the developing countries "urgently need" to give a higher priority to improving and modernizing their production and distribution of food.

He observed that the overwhelming majority of those who till the soil still use primitive methods, producing little more than enough to meet their own needs.

"The developing countries must make basic improvements in their own agriculture. They must bring the great majority of their people into the market economy," declared Mr. Johnson.

The President predicted that if increased aid were dispensed without regard to measures of self-help, economic incentives for higher production would disappear and local agriculture would decline as dependence on American food increased.

LBJ Urges a Global War on Hunger

By STAN CARTER

Washington, Feb. 10 (NEWS Bureau)—President Johnson asked Congress today to launch a worldwide "war on hunger," making maximum use of American farm capacity to feed others, but keyed to their self-help.

For the first time since the Korean War, American farmers would be actively encouraged to increase production in the five-year program outlined in a Presidential message.

The plan would change the Food for Peace program to Food for Freedom. It also would work toward a time when foreign countries would pay in dollars for American agricultural products instead of in the local currency that many pay now.

"The Food for Freedom Act of 1965 charts a new course for world agriculture," Johnson said. "It faces up to the inescapable fact that man is losing the race between the size of population and the supply of food."

"The time is coming when even the fabulous abundance of Amer-

ica will not be enough to feed the world's hungry millions.

The answer is for these nations to develop their own capacity to produce the food their people must have. They must learn to depend less on us and more on themselves.

High Administration officials said the encouragement to grow larger American crops was not expected to affect domestic food prices.

They could give no accurate estimate of the program's cost, although they said it would raise farm spending by from \$400 million to \$500 million during the coming fiscal year. After that, they anticipated that spending would level off so that the food assistance program would cost

"somewhat above \$2 billion a year," about the current level.

Johnson proposed:

- Expanded food shipments to countries where food needs are growing and self-help efforts are under way.

- Increased U. S. capital and technical assistance in helping undeveloped countries increase farm production.

- Eliminating the "surplus" concept in food aid and encouraging American farmers to grow more wheat, rice and soybeans to help fulfill the world's needs.

"FOOD FOR FREEDOM"

President Johnson yesterday sent Congress the third of his current messages on foreign aid. This one concerned "food for freedom," as it's called—with heavy overtones, we fear, of food for free.

The President wants to increase shipments of U.S. food to foreign countries that need it, and to permit U.S. farmers to expand production accordingly.

Export Food Skills, Too

We are glad to see, though, that Mr. Johnson knows the United States cannot feed a world or most of one, and therefore wants much of the food sent to nations willing to help themselves.

That means exporting, in addition to food, American skills in producing food. Run the "food for freedom" programs that way, and they may work out fairly well.

For Self-Help Nations: Johnson's Food Plans

Of The Herald Tribune Staff

WASHINGTON:

President Johnson proposed to Congress yesterday that the United States establish a five-year "food for freedom" program to "lead the world in a war against hunger."

Mr. Johnson said American foreign food assistance would be concentrated on countries that make a greater effort to feed themselves. The food aid would be coupled with economic aid for agricultural development.

The existing food for peace program would be redesigned to permit the use of foods

needed for proper nutrition in developing countries, not merely those in U. S. surplus stocks.

Mr. Johnson asked Congress to "authorize greater food aid shipments than the current rate." However, he did not indicate how much more would be spent for food aid.

Officials said a forthcoming message would deal with an emergency program of famine relief for India. Aside from the as-yet-unrevealed cost of this program, they said, food shipments for the coming year would continue at about the

current level of \$2 billion annually. In addition, \$500 million of the foreign aid budget is earmarked for economic aid and technical assistance in agriculture.

The program outlined by the President envisions expanded production by American farmers in selected crops to meet foreign aid requirements. He told Congress that 60 million acres of cropland were currently being held out of production under government land retirement programs. "We will bring these acres back into production as needed," he said.

Food for Freedom Concept Emerges

PRESIDENT JOHNSON has been working on his revamped "Food for Peace" program so many months that most of his intentions — if not the details — have become fairly clear. The specifics came out Thursday as the President sent his program to Congress.

The expiring Food for Peace plan, enacted under the Eisenhower administration, now will become Food for Freedom if Congress approves. It will be enlarged and, significantly, will emphasize a positive approach to world hunger.

Instead of taking U.S. surpluses and giving and selling them at long-term interest to foreign nations, the President now is calling upon U.S. farmers for an aggressive program to produce those products which the world appetite needs — not just what we happen to have that's surplus.

In this regard, the President moved to increase production of rice and soybeans. More rice is needed, largely because of war-caused cutbacks in Vietnamese production and the preference of many Asiatics for rice. The recent food riots in South India, for example, concerned rice. Wheat was available but the

Indians wanted rice. Soybeans are valuable abroad as a protein source.

The President also called on U.S. farmers to look to the years ahead as a time when curbs on production can be lifted. But farmers should not get too excited: the President's program calls for an increase in crop acreages this year of only one-half of one per cent.

TURNING to the world hunger situation itself, the President performed the expected by urging in the strongest terms that U.S. food be sent abroad with the understanding that the recipient countries are to work to improve their own food production. To allow such countries to merely accept U.S. handouts would be to provide them a sense of false security we would doubtless be sorry for later.

The President previously, in his foreign aid message, called for greater emphasis on sending abroad U.S. agricultural technology, manpower and equipment to boost food production in underdeveloped nations. Coupled with such technical plans, this week's move shows the United States is doing much to meet the challenge of world hunger as it is certain to develop over the next few decades. We hope our efforts are equal to the task.

Ending an Emergency

Stopgap emergency shipments of 3 million tons of wheat and grain sorghums to India have been authorized by President Johnson for the next three months. Rep. Bob Poage of Texas, while critical of India's efforts, feels that the United States must do all it can to prevent starvation.

In a recent address, Dr. Earl Butz, Purdue dean of agriculture and frequent consultant on farm policies of the federal government, said that the North American breadbasket will be called upon for a massive effort in the future to prevent "mass starvation in large areas of the underdeveloped world."

Combined with food riots in India, these American comments should accelerate a 3-point program. First and fastest must be stepped-up movement of the large stocks of grain on hand to those who hunger; this is the only

possible way to help immediately. Next need is a revamping of U.S. agricultural policies to gear them to the rising food needs of the world. Finally, there must be longtime planning and insistence upon improved, increased agricultural production in India and other underdeveloped nations.

Eager as Americans are to cut back the generous aid that this nation has poured abroad since World War II, very few feel that we can sit beside bulging bins of grain while others starve. But those who are kept alive with wheat and other U.S. food must do far more to provide their own meals. They cannot rely forever on our generosity and productivity; firm demands that they work harder for their own salvation should be basic in all of our programs to help them. That is the only way to end this emergency.

Johnson Proposes New Farm-Policy Goals To Assure Reserves, Combat World Hunger

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—A regearing of U.S. farm policies to contend with shrinking food stockpiles at home and rising shortages abroad was recommended to Congress by President Johnson.

Domestically, the long-range emphasis would switch from curbing crop surpluses to assuring adequate commodity reserves. For most crops this wouldn't mean any immediate change in acreage or marketing controls, but for rice and soybeans an increase in 1966 plantings would be sanctioned and encouraged.

To help combat world hunger, a 30% increase to \$3.3 billion yearly in subsidized U.S. food shipments would be authorized, although the President is asking only half that much for the fiscal year that starts July 1. All commodities and some processed foods would be made eligible for the export subsidies through lifting a restriction that currently limits the aid to surplus commodities.

Self-Help Stressed

But recipient countries would have to show determination to solve their own food problems and, after a five year transitional period, would have to start paying for the U.S. food in dollars. Long-term, low-interest loans would be made available to soften the impact of this switch from payment in local currencies that can't be sent back to the U.S.

The President's proposals, packaged in what Mr. Johnson called a Food for Freedom program, were mostly well received in Congress. Most farm groups, as well as ranking members of the House and Senate Agriculture committees, have been pushing for a stepup of subsidized food exports, and the dollar repayment and self-help requirements pleased the current program's critics. While some Republicans voiced doubt about the President's request for specific authority to regulate domestic food-reserve levels, they acknowledged that such a legislative directive would only sanctify what Agriculture Secretary Freeman is already trying to do through planting controls and management of Government-held food stockpiles.

The House Agriculture Committee will take up the President's recommendations at hearings beginning Monday, and Chairman Cooley (D., N.C.) can be expected to give them a rapid forward push. Legislative authority for Government food shipments, under what is currently called the Food-for-Peace program, expires at the end of this year, and Mr. Cooley was prepared to start processing his own bill for expanding the program had the Administration's proposals been any longer in coming.

But the two directives in Mr. Johnson's food message with the greatest immediate impact won't require legislation. Drawing on the Agriculture Secretary's authority to set planting allotments for Government-regulated crops, Mr. Johnson announced a 10% increase, to about two million acres, in rice-acreage allotments for 1966. Soybean production will also

couldn't qualify for export subsidies until dairy state lawmakers gained enactment of the special dispensation.

Tightening supplies of rice and soybeans plainly contributed to the President's request for specific authority to maintain what he termed "commodity reserves." An even bigger factor, though, may be the sudden, huge demands for U.S. wheat lodged in recent weeks by famine-stricken India and Pakistan. These two alone, it's reckoned, could absorb the Government's entire wheat stockpile in short order if Asian drought conditions persist much longer.

Authority for Future

To "protect the American people from unstable supplies of food and fiber, and from high prices in times of emergency," Mr. Johnson asked for authority to purchase and stock essential commodities in the future. Current farm laws, designed to combat the surpluses of past years, require the Agriculture Secretary to sell off all stockpiles accumulated in the process of trying to regulate farm output.

Because of past accumulations still on hand—and still excessive in the case of cotton and feed grains—Mr. Johnson said purchases for the commodity reserve aren't likely to be required in the first year of the program.

Where the President's farm message of a year ago talked about the need to take still more cropland out of production, yesterday's missive hinted of not-too-distant steps to draw upon "the potential that lies in the 60 million acres" already idled by Federal land retirement schemes.

Such talk of increased cropland needs quickly heightened efforts in Congress to head off implementation of a new long-term land-retirement program that's much feared in some Southern and Midwestern areas. North Carolina's Rep. Cooley, for one, called for its annulment. But the Administration had budgeted \$100 million for the program in the coming fiscal year and Agriculture Department officials contend it's still much needed to deal with cotton surpluses and stabilize feed grain output.

The \$3.3 billion annual spending authority sought by the President for food shipments overseas probably wouldn't be fully used for several years. Only \$1.6 billion is budgeted for the coming fiscal year, although budgetary strains from the Vietnam war clearly forced a clampdown below desired levels.

Even without a big increase in overall subsidies and shipments, though, the Food for Freedom plan should bring immediate benefits to some growers and food processors. Congress appears certain to go along with the President in scuttling the requirement that only surplus commodities can qualify for the export subsidies. Anticipating its removal, the Agriculture Department is already negotiating with producers of enriched cereals and other high-protein food products to bring them into the program.

Johnson Calls for a 5-Year 'Food for Freedom' Program

<p>By FELIX BELAIR Jr. Special to The New York Times WASHINGTON, Feb. 10 — President Johnson urged Congress today to authorize a five-year Food for Freedom program with \$3.3-billion a year to finance "a world-wide war on hunger."</p> <p>In a special message read to the House and Senate, the President proposed to harness the productive capacity of American farms to the national objective of keeping free men free where ever there was "a national will and determination to help themselves."</p> <p>In separate legislative drafts submitted with his message, the President proposed: To expand food aid sales—mainly on long term credit —</p>	<p>up to \$2.5-billion a year with a further sum of \$800-million a year for food donations to needy countries. Present food sales for local currencies would be phased out after five years, except for relatively small amounts needed for embassy and other United States operating costs.</p> <p>¶To authorize the Secretary of Agriculture to fix national food and fiber reserve levels taking account of normal trade stocks, farm and consumer prices, domestic and export requirements, crop yield variations and foreign and domestic food programs.</p> <p>¶To authorize the Commodity Credit Corporation, on instructions from the Secretary of Agriculture, to purchase commodities in the open market to</p>	<p>build up reserve requirements, including Food for Freedom needs, without regard to the "surplus" status of such commodities as at present.</p> <p>¶To establish more exacting self-help criteria in food aid agreements with needy nations and to make the carrying out of such pledges a condition of United States food aid. Development of markets for American food products would also be a goal of the program.</p> <p>¶To direct the Commodity Credit Corporation to finance the vitamin-protein enrichment of United States food assistance while continuing to provide commodities for that program and building food and fiber reserves.</p> <p>¶To continue to provide voluntary relief agencies with food</p>	<p>for People-to-People Assistance programs and to provide better coordination of food aid with other economic foreign aid through the Agency for International Development.</p> <p>¶To return to cultivation as much of the 60 million idle acres on American farms that may be needed in the critical race ahead between food and population, "but not to produce unwanted surplus and not to supplant the efforts of other countries to develop their own agricultural economies."</p> <p>Recalling a recent order by the Secretary of Agriculture intended to increase spring wheat supplies by some 20 million bushels, the President said he was also directing a 10 percent increase in the 1966 acreage allotment for rice.</p> <p>At the same time, the Presi-</p>	<p>dent said, he was directing the secretary to encourage Corn Belt farmers to shift part of their feed-grain acreage to soy beans to assure more adequate supplies at reasonable prices in view of the mounting demand.</p> <p>Limited purchases of short dairy supplies also would be made to meet foreign and domestic program needs, he said.</p> <p>While the legislation he requested would provide an authorized ceiling of \$3.3-billion in each of the five fiscal years beginning July 1, the President's message made it clear that actual expenditures on the program would not reach that level in the immediate future.</p> <p>The program "could be implemented in the year ahead without any additional cost to the government," he said.</p>
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Johnson Gets Indian Plea For Aid Resumption Now

By JOHN W. FINNEY

Special to The New York Times

WASHINGTON, Feb. 11—Prime Minister Indira Gandhi has appealed to President Johnson for an immediate resumption of American economic aid to India. Administration sources disclosed tonight.

President Johnson said at a news conference this afternoon that Mrs. Gandhi had written to him expressing a desire to come to Washington "as early as possible."

She is expected to make the trip in the latter part of next month or early, in April.

But it was also understood that Mrs. Gandhi had emphasized in the letter that resumption of economic aid was becoming so urgent to the Indian economy that it could not be postponed until her visit to Washington.

[India's economic difficulties were emphasized at Jaipur where the Government's handling of the food problem set off an open revolt against the leadership of the Ruling Congress party at its annual conference.]

The United States suspended commitments of economic aid to India last summer when the Administration was making a critical review of its aid policies toward both India and Pakistan. What was originally intended to be only a temporary cessation became a prolonged suspension with the outbreak of the brief conflict between India and Pakistan last September.

Loan in December

Since last summer, the United States has allotted no new aid for India, except for a \$50-million loan last December to help India buy fertilizer in the United States.

As part of this suspension, the United States has not fulfilled a \$400-million pledge of new economic aid it made last spring as part of a \$1-billion pledge made by an international consortium to help India.

Mrs. Gandhi's appeal for an immediate resumption of economic aid reflected the concern of Indian officials that the lack of American assistance was be-

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Another War

Like all his other programs, President Johnson's five-year Food for Freedom proposal, at \$3.3 billion a year, represents a direct frontal attack on a vital problem. It is another war for the Great Society. This time the enemy may be the worst one threatening the world.

The President would have us return to cultivation 60 million idle acres of American farmland and thus increase our food surpluses for the needy nations overseas. The new program also calls for a greater emphasis on the production of protein-rich foods, which are lacking overseas, particularly in non-Western areas.

The demand is so great that it cannot wait. In India the annual grain deficit is far beyond our present wheat backlog of 19 million tons. Increased agricultural production, applied in the right way overseas, would seem to be the answer.

But it is not that simple.

An immense dumping of American surpluses on the shores of the underdeveloped nations would be welcomed. But it would only delay the time when those countries must face up to the responsibility of improving their own agricultural production. The President's message recognizes that we cannot ever hope to supply enough food to

keep up with the expected increase in world population.

The message reflects a recent Department of Agriculture report pointing out the special dilemma of the needy nations. It is that national income must rise far above subsistent levels before enough money is available for the development of crop-producing lands. Some criticize the needy nations for being more willing to undertake industrial projects and power installations than agricultural projects, but it is industrial development that pays off for them in needed dollars. A strong non-agricultural economy must exist if the farmers are to have the goods and services they need to improve their yields.

More basic human problems are also involved. There is illiteracy; there is also the refusal of farmers to accept change and of consumers to alter diets.

The five-year commitment which the President is asking should give us time to develop a working system with the underdeveloped nations. Long-range planning is necessary if we are going to win the race against time and the population explosion. Nothing less than a war on hunger is required.

The Foreign Aid Food Mix

President Johnson has taken his old P. L. 480, mixed it with a fresh batch of words and served it up to the public as his new foreign aid food program.

There is nothing wrong in using our food surpluses to feed the overseas hungry (P. L. 480). And the words setting forth new directions in supplying them are certainly commendable. Some foreign countries have been taking our gifts and credits for granted, relying on these rather than on themselves to meet the yawning gap between their food needs and their own output. The President proposes to wean them away from dependence on a U. S. "crutch" by relating future U. S. supplies to the efforts of foreign recipients to stand on their own feet.

The proposal certainly is reasonable. It should appeal to Congressmen who will be called upon to make additional billions of dollars available to finance the food aid program; and it can hardly be criticized by foreign recipients.

The problem is the extent to which an admirable principle can practically be applied, especially in view of the fact that the major beneficiaries are being haunted by starvation on a staggering

scale. Raymond Ewell, a consultant to the Agency for International Development, recently told a Senate subcommittee that 10 to 12 million people may die of starvation in India this year. Similar food crises, he said, are developing in Pakistan, Indonesia, Iran, Turkey, Egypt, Brazil, Peru and Colombia.

All are countries which we have been helping and which we will continue to help. And while we can and should do everything to encourage them to increase their own food supplies, it seems that a good deal of our surpluses may be needed for answering emergency hunger calls.

Even if and when they manage to improve national output, that alone will not meet the problem because the problem is caused not only by lagging production but also by the booming birth rate. While food production in Asia, Africa and Latin America has been growing at the rate of 1 to 2 per cent a year, their populations have been rising at the rate of 2 to 4 per cent.

Greater output, accompanied by still greater population, spells endless hunger. Aid in one area will be meaningless unless it is coupled to aid in the other.

Food Message

It has been said that the secret joy of the thinker was his knowledge that millions would be marching to the cadence of his thought long after he was dead. Thomas Robert Malthus, born two hundred years ago this (or perhaps tomorrow) morning didn't live to read President Johnson's message on the new American food aid program, but he would have approved every line. What the President was saying is that food supplies are the ultimate limit on population, that world population now presses beyond food supplies, and that willy-nilly, either voluntarily by food and population control, or involuntarily by famine and disease, men will, as ever, see food and population reach a balance. The Rev. Dr. Malthus couldn't have agreed more.

It is just because he wants to stimulate food-population adjustment in the food-short areas that the President is swinging American food aid to a new system and rationale. In the past decade the United States has shipped 140 million tons of food abroad—and the gap between food supply and population is wider than ever. The President fears one reason is that some aid recipients may have come to rely as much on American food aid as on gearing their own agriculture to their population growth—and vice versa. Yet, as he puts it, "the time is coming when even the fabulous abundance of America will not be enough to feed the world's hungry millions." And while American food aid will certainly continue, he thinks a reasonable incentive to self-help in the deficit countries would be for them to bring their farm systems more "into the market economy" of buy-and-sell.

That implies, of course, the other big shift in the President's food position—that our own farm programs must move toward the market economy and away from the confused, wasteful, and in some ways, fraudulent routine of subsidy-and-surplus which has characterized many of them up to now. After all, the crisis that Malthus foresaw 200 years ago was sidetracked only by the abruptly exuberant productivity of the market-economy industrial revolution, which Malthus did not foresee. Now the medical science which marched step by step with industrialism has abated the old brutal decimations by disease, but population still has to balance out with food. The President announces an initial and urgent American contribution to that benign end.

February 14, 1966

Food for Peace

PRESIDENT JOHNSON has asked Congress to equip him with money and authority to help relieve food shortages in some areas of the world — with emphasis on lending such aid to countries which show the most energy in trying to help themselves.

Mr. Johnson proposes to sell and give food to hungry nations over a five-year program, coupling this with "technical assistance" to enable these countries to go for themselves at the end of the program.

The President's plan, merely generalized in his message, will need a lot more explanation and specifics before Congress will be able to act with any intelligence. It is complicated by the apparent intent of LBJ to reverse the so-called "farm program" he jammed thru Congress last year by lifting some of our own farm controls and increasing production, particularly in rice and soybeans.

But the basic idea, or what seems to be the basic idea, at least makes

a great deal more sense than past programs. Sen. McGovern of South Dakota has been advocating something like this for a long time.

In his view, much of the unrest in the undeveloped countries stems from lack of food. He uses the Dominican Republic as an example.

Properly encouraged, he says, the Dominicans can supply their own food needs. School lunches now are being supplemented by school gardens, cultivated by the children, which produce an average of 1000 pounds of vegetables for each \$2 packet of seeds.

The Dominicans need wells and reservoirs, since they suffer from chronic drought. They need fertilizer and modern agricultural methods. So it is in other food-short countries. If we had provided these things with the foreign-aid billions we have wasted on steel mills and other vainglorious projects, the goals Mr. Johnson is talking about might have been reached in part by now.

Millions May Starve In India Despite Aid, House Panel Hears

By FELIX BELAIR
Special to The New York Times

WASHINGTON, Feb. 14 —

A grim picture of mass starvation on the Indian subcontinent was painted before the House Committee on Agriculture today at the opening of hearings on President Johnson's Food for Freedom program.

Dr. Roger Revelle, director of the Harvard Center for Population Studies, told the panel that "it is almost certain that tens of millions of people will starve" in India's famine "and there will be millions of deaths that would otherwise not occur."

"The saddest part of the story is that it may be too late for us and the other rich countries to help very much," Dr. Revelle said. "My recent experiences in India have filled me with a great personal concern about the desperate conditions that our fellow human beings face today in that deeply impoverished country."

Conference Considered

As the House committee hearings got under way, President Johnson told the Dutch Foreign Minister, Joseph Luns, that he was considering calling an international conference to develop and coordinate greater famine relief efforts for India.

The Foreign Minister said the conference idea was put forward by the President in view of what Mr. Luns termed "the frightful situation" in India.

Several times in the past the President has stressed the need for a joint effort by many nations to combat starvation in India. He said recently that he was considering special emergency legislation, presumably to help India pay some \$150-million in shipping costs for United States wheat aid.

However, Mr. Luns's mention of an international meeting was the first such suggestion attributed to President Johnson. The Foreign Minister said that if the conference was called it would probably consider the economic needs of Pakistan as well. There was no indication of when or where the meeting would be held or of who would attend.

Dr. Revelle, a member of India's International Advisory Commission on Education, told the House panel that "the future of mankind is being ground out on the anvil of India and the other impoverished countries."

He said that unless rich and poor countries together solved the problem of development, "the fate of all men in times to come will be the fate of India today."

"A livable world cannot long exist in which two-thirds of human beings never get enough to eat, and the remaining third are overfed," he said.

He urged an "all-out attack" on poverty and hunger through such measures as expanded food aid, United States financial support of population control programs, and technical and financial support for food-deficit countries trying to increase farm production and to provide protein supplements to fight malnutrition.

Must Rise 300 Million Tons

"If the underdeveloped countries are to reach self-sufficiency in food production by 1980, even at present low levels of nutrition," Dr. Revelle said, "production must rise by about 300 million tons, or about 50 per cent above the 1965 production level of 650 millions."

To reach this high level of production an increase in the land area under cultivation as well as in yield per acre would be required, he said.

In addition, a capital investment of about \$80-billion would be needed over the next 15 years, he said. About \$20-billion of that amount would be needed to purchase trucks and tractors, road-building machinery, effective storage facilities and food processing plants, as well as pumps and tubular steel for wells.

In explanation of his statement that it "may already be too late" for donor countries to do much about preventing starvation in India, Dr. Revelle said that the distribution of famine relief supplies there after arrival in India was a major problem.

He said that some areas were without roads, and that port facilities were inadequate for the sudden influx of relief supplies required to prevent widespread starvation.

Dr. Irene B. Taeuber, Princeton University population specialist, joined Dr. Revelle in urging that United States aid funds be made available to provide birth-control assistance.

Sees Population of 7.5 Billion

Dr. Taeuber said that if present population growth rates continued the world's total population of three billion would increase to about 7.5 billion by the year 2000. But she said the question was not whether but how the population growth rate could be slowed.

The only choice was between reducing birth rates or acquiescing in "the rising death rates of hunger and disease, famine and epidemic, internal instability and international conflict," she said.

In an opening statement on the projected month-long hearing, the committee chairman, Representative Harold D. Cooley, Democrat of North Carolina, said that the inquiry would not be limited to any particular bill.

At the same time, Mr. Cooley criticized Administration plans to take 40 million more acres of American farm land out of cultivation while farmers are paid not to plant 60 million acres.

He said that under the Administration plan, whole farms could be taken out of cultivation at an added cost of about \$9-billion or \$10-billion.

"Then the farmers could retire to Florida," he said. "But other tens of thousands would be driven to the cities looking for jobs that are not there and would take their place on the relief rolls."

A LADY AND A NATION IN DISTRESS

Chivalry and compassion alike will tempt President Johnson to look favorably on the appeal from Mrs. Indira Gandhi, the new prime minister of India, for an immediate resumption of economic aid and food shipments to her starving country. And she will find plenty of additional support from inveterate India lobbyists such as Sen. Cooper of Kentucky, Former Ambassador Galbraith, Ambassador Harri-man, Robert Kennedy and so on.

These emotions and this pressure should not deter Mr. Johnson from inquiring whether new aid would be any more effective than the 5 billion dollars or so in aid that we have already given India. Mr. Johnson might start out by reminding Mrs. Gandhi of what her late father, Prime Minister Jawarhalal Nehru, said in 1949:

"I think the very ease with which we have been able to get foodstuffs from abroad has rather prevented us from facing the problem properly. I think we should think in terms of not getting any food at all from abroad after a certain period—let us put it at two years, I should not add a day more — and just make up our minds that we shall live on the food that we produce after two years or die in the attempt."

Indians are dying in a famine today not because the attempt failed, but because it was never seriously made. As time went on, Mr. Nehru tended to ignore agricultural problems in favor of status symbols such as steel mills, which would require years before they could contribute to India's economy. The more foreign aid put into industry, the farther agriculture fell behind the growth in population. The conditioned response of the Indian government to repeated crises has been to appeal for more money and food from the United States and anybody else who will listen. Some of this food, by being released in areas of discontent, has helped to stave off rebellion.

Experience has proved, however, that Mr. Nehru's original view was right; that all the surplus food in the world could not sustain India's growing population, and that gifts of surplus food merely diverted the Indian government from facing the food problem squarely itself. Finally, last June, our administration suspended new economic aid and food shipments until the Indian government could demonstrate that it was doing something to solve its own problems and not merely taking perpetual United States aid for granted. Instead of doing this, the Shastri government got embroiled in a war with Pakistan which consumed a good part of the small resources it had left.

Maybe Mrs. Gandhi is wiser for all this experience. "Only greater production," she said recently, "will solve our food problem. . . . Let us learn from our mistakes and resolve not to let them recur." If she recognizes the futility of counting on perpetual foreign aid, she will at least have come to grips with the first of the enormous problems which she faces. If she doesn't, we will only make them worse by relenting again. The longer India delays about turning out more food and fewer babies, the greater its problems will become.

Food for Freedom

Chilling word has come from a congressional hearing on President Johnson's Food for Freedom program. Even with maximum American help, tens of millions will starve in famine-stricken India, and millions will die, according to Dr. Roger Revelle, director of the Harvard Center for Population Studies. According to Dr. Irene B. Taeuber, a population specialist at Princeton, unless birth rates are reduced, the 3 billion people now inhabiting the world will be 7.5 billion by the year 2000. The program of feeding them all may well be insoluble.

Of course, ever since the days of Malthus (1766-1834) a world-wide disaster due to overpopulation has been predicted. Dr. Taeuber's figures can be no more than an estimate; technology may well solve, at least partially, the problem of feeding the world. But the issue is still an alarming one. The answer is two-fold—a global birth control program to hold down the growth of population, and a global program to insure that in the future we no longer will live in a world where one third of the people are overfed and two thirds never get enough to eat.

Food For Peace

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Properly encouraged, he says, the Dominicans can supply their own food needs. School lunches now are being supplemented by school gardens, cultivated by the children, which produce an average of 1000 pounds of vegetables for each \$2 packet of seeds.

The Dominicans need wells and reservoirs, since they suffer from chronic drought. They need fertilizer and modern agricultural methods. So it is in other food-short countries.

Freedom for Food

Down on the farm these days, income and practically everything else is looking up. As Agriculture Secretary Freeman proclaimed recently, "The farm economy is healthier today than at any time for more than a decade."

On the face of it this would seem an ideal time to begin a gradual dismantling of the structure of subsidies and controls supposedly set up to achieve something like the present farm prosperity. Unfortunately, the Government instead appears bent on beefing up its rural bureaucracy.

There is, for one thing, Secretary Freeman's grand plan to push his Department deeper into an area like outdoor recreation, where a number of Federal agencies already are and long have been active. More important, from the standpoint of the future of the farm economy, is the Administration's program to reshape U.S. agriculture to fight a worldwide "war against hunger."

While the aim of that war is unquestionably worthy, some of the proposed tactics are at least dubious. They include a rejiggering of acreage controls on some crops and an increase in subsidies on others. By pushing a little here and pulling a little there, the planners propose to regear U.S. agriculture to the needs of the world.

To appraise the Government's qualifications for this massive job of management, it's only necessary to recall its record in the smaller task of fitting farm output to U.S. needs alone. Federal planners naturally cite the current farm boom as proof of their success, but a closer look suggests that the rural rise may have come not because of their efforts but in spite of them.

Farm officials, to begin with, can take little credit for the vigorous recent health of the general economy—now impaired by inflation—which has led to increased consumer spending on farm products. Nor have they created the prosperity of Europe and Japan, which has helped boost commercial exports of food and fiber. And the planners certainly don't want to claim they have instigated the famines and crop

failures in India and elsewhere that have helped push up foreign aid shipments of U.S. food.

Those factors, and not prudent Federal management, chiefly explain why the Government's pileup of farm surpluses isn't as mountainous as it was a few years ago (though the \$6.4 billion hoard at mid-1965 still could scarcely be called a molehill). An indication of the true story is the fact that stocks of cotton and tobacco, two crops which have not benefited from foreign aid shipments, have continued to climb.

In the circumstances, it's understandable that the Administration plans to expel the word "surplus" from its farm lexicon. If by some chance it continues to misgauge demand and supply, those growing piles of unwanted products henceforth will be called "reserves," a word judged less likely to call down imprecations on the planners.

The saddest part of it all is that it could endanger a solution to a serious problem. "Food for Freedom" may reflect the politician's usual penchant for sloganeering, but the world's prospects for peace quite possibly could be improved if less of its population were living on the edge of starvation. The U.S. has helped generously in the past and can do more in the future, particularly if it follows President's Johnson's plan to tie aid to other nation's efforts to improve their own agriculture.

No nation, however, is blessed with resources without limit. Rather than risk frittering away further billions on useless "reserves," wouldn't it be better to begin to turn a little more toward a free market? Given the growing demand at home and abroad, it's hard to see why so much Federal machinery is needed to pump up supply.

After more than three decades of Federal mismanagement, farm operators clearly would need time to adjust to less of it. But if the Administration would move toward more freedom for food, we suspect that the farmers would soon be doing a creditable job of running their own affairs.

Hunger cannot wait

'Hungry men cannot wait. Famine is not a matter of months but of days. The steps which are not taken to relieve hunger today may be too late tomorrow.

For these reasons we applaud what the American Government has already done to relieve the grim food lack gripping India, but urge that Washington do still more. Above all, we welcome the word that President Johnson is considering calling an international conference to work out and coordinate better methods for meeting the Indian hunger crisis.

Quick international action is called for. Not only is India already squarely in the midst of a famine, but there are experts who warn that this year's shortfall in food may become a semipermanent condition unless mammoth remedial steps are taken. While the United States, happily, is in a position to supply a certain amount of emergency help, we cannot be sure that the problem will not reach a stage where only an international effort can cope with it. Such an effort should be planned for at once.

Speaking before the House Committee on Agriculture, Dr. Roger Revelle, director of Harvard's Center for Population Studies, said, "it is almost certain that tens

of millions of people will starve" in the present famine. This is a prospect before which mankind cannot sit back and relax. Emergency action of the farthest-reaching and most drastic kind is needed forthwith. The food to relieve this unimaginably grim picture exists. It must be gotten to India without delay.

We feel for India's new Prime Minister, Mrs. Indira Gandhi, in this moment of crisis. The task of running that vast and teeming land is, under the best of circumstances, a heavy one. When to this are added the suffering, social dislocation, and economic setbacks which come with famine, the task becomes monumental.

It may, in fact, become necessary for her to inaugurate a shift in national objectives and planning. As the food crisis grows, there would seem to be justification for the Indian Government's concentrating its attention even more strongly on two goals. The first is a drastic cut in the population growth rate. The second is upping food output even if this means lowering India's industrial growth. No nation at India's present stage of development or with India's problems can expect to build solidly for the future until it has first overcome the problems of too little food and too many mouths.

U.S. FOOD AIRLIFT TO INDIA IS URGED

Proposal Made to President
by House Agriculture Head

By FELIX BELAIR Jr.

Special to The New York Times

WASHINGTON, Feb. 17 — President Johnson has been urged to order an immediate airlift of food to India for "those isolated provinces where Communists are leading food riots" and for other areas of the famine-ridden subcontinent.

The proposal by Representative Harold D. Cooley, chairman of the House Agriculture Committee, was set forth in a letter he handed the President at a White House conference with legislative leaders Feb. 3 on his food for freedom program. The proposal came to light after Mr. Cooley made a passing reference to it at today's hearing on the program.

"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," the North Carolina Democrat said in this letter.

"I am proposing," he continued, "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."

The airlift scheme is understood to have been discussed by Secretary of Agriculture Orville L. Freeman with Secretary of Defense Robert S. McNamara. However, Pentagon officials who would be in charge of the operation said it was still in the study stage.

Mr. Cooley told the President that on the basis of his budget message in January and subsequent communications to Congress "I am gravely concerned that the United States, with its great food and fibre abundance, may do 'too little too late' to meet urgent famine needs and to narrow the world food gap."

The House agriculture spokesman said he hoped this impression would be corrected in the President's message to Congress outlining a permanent food policy. He added:

"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."

"If Russia and China were able to match the ingenuity of our agriculture and they, not us, had controlled the sources of food and fibre 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 their stomachs."

The committee chairman continued to criticize the Administration's approach to the world food crisis at today's hearing. He said that no member of the House panel believed the United States could feed all the people of the world. But he added that neither did any believe it made any sense to think about retiring 40 million farm acres on top of the 60 million already idle acres when half the world was going hungry and 12,000 people died of starvation every day.

One of the questions Mr. Cooley has been persistently putting to witnesses during the current hearings was the relative cost of producing a bushel of corn or paying the farmer a Federal subsidy not to produce it. He got an answer today from Don Paarlberg, former Food for Peace coordinator and now Hillenbrand Professor of Agricultural Economics at Purdue University.

It costs about \$1.03 to prevent the production of a bushel of corn in the Corn Belt, compared with a farm price of \$1.10 a bushel in Indiana in January, Professor Paarlberg told the committee.

Professor Paarlberg also said it was not true that a country suffering from hunger and malnutrition would accept any amount of food offered it. Experience has shown, he said, that a country will accept only the only the amount it believes it can absorb without depressing farm prices and hurting its own farmers.

U. S. AID TO PAKISTAN AND INDIA—PLUS ADVICE

THE merciful hand of the United States once more is being extended to both India and Pakistan.

Large-scale loans to the two countries—50 million dollars for Pakistan and 100 million for India—were announced by Vice-President Hubert Humphrey on his Asian tour this week. The money will be used to import commodities and raw materials. The new pledge does not represent a full-scale resumption of economic aid. And the action it contemplates is apart from the shipment of emergency food grains to the Indian subcontinent. Such assistance was stepped up even while all military aid was being cut off and economic development pacts were not being renewed because of the short but disastrous Indian-Pakistani war last September.

What the United States seems to be saying now is that it believes India and Pakistan are ready to buckle down to their respective problems, instead of renewing their fratricidal bloodshed. The suspension of American help was intended to bring the warring governments to their senses. Evidently the aid curtailment had something to do with bringing about the cease-fire that is still in effect.

Already weakened by their chronic problems of food shortages, poverty and disease, India and Pakistan were damaged grievously by their war. With a population more than four times larger than Pakistan's, India is in the more desperate situation of the two neighbors. That country's people are facing the most disastrous famine for a generation. Following two successive bad crops in 1962 and 1963, India last year suffered the worst drought in recent history. Seven large states with a total population of about 100 million have been severely hit. Fifteen to 20 million children under 15 years old are said to be especially vulnerable to the ravages of hunger.

IN this latest food crisis, a truly appalling situation, the Indian government has appealed for help, particularly to America, Canada and Australia. All are expected to respond, within their capacities. But such outside aid, alone, is not enough. The central government at New Delhi will have to improve its system of getting available food to where it is needed the most. States with a surplus have been reluctant to release it to those with a grain deficit. Thus India faces what is perhaps her gravest test of national unity. Only if the food on hand and that being shipped is assured of reaching the areas of near-starvation can famine be averted.

No nation could have been more sympathetic to the food and social problems of India and Pakistan than the United States has shown itself to be. Over the past two decades, this country has invested 10 billion dollars in aid to the India subcontinent. There has been some progress, especially in Pakistan. But, overall, the results in India have been disappointing.

Now the United States is insisting more than ever before that continued aid, apart from the emergency grain supplies, must be tied in with self-help. The beneficiaries have promised reforms, including more intensive efforts to limit the increase in population that consumes most of the gains in food output.

When people are starving the United States can always be counted on to provide food generously and without reservations. In long-range assistance programs, however, it is not too much to ask the recipients to concentrate on basic economic development rather than mere shots-in-the-arm. The most critical needs require adapting modern techniques to overcome customs and traditions that have kept productivity in agriculture at a low level. India and Pakistan can expect to hear more on this subject from Washington, once they are past the immediate food crisis.

From Tashkent to U. S. Dollars

Resumption of American economic aid to Pakistan and India is of more than passing interest. It was cut off, in the first instance, when these countries reopened their armed conflict over Kashmir. American aid was intended to help Pakistan and India to stand on their own feet and, if necessary, to meet a threat from Communist China. It was not intended to help them destroy each other.

Resumption of American aid consequently became contingent on restoration of the *status quo ante*, if not an over-all settlement of the Kashmir dispute. That was achieved at the Tashkent conference between President Ayub and the late Prime Minister Shastri, promoted and arranged by the Soviet Union. Hence it may be said that the dollars which will now begin to flow from Washington will move to Karachi and New Delhi by way of Tashkent.

The implications should be encouraging to those who advocate "coexistence" between rival ideologies and the peaceful settlement of international disputes, in accordance with the Charter of the United Nations. Conversely,

they must be most distressing to those who oppose these principles—notably the Chinese Communists.

Some may find it distasteful that Washington appears to be awarding dollar prizes to principals in a political agreement for which Moscow may claim the credit. But that would be taking a narrow and myopic view of the panoramic scene before us. We should praise, not begrudge, the Russians for their success in promoting peace between two major countries in Asia. And if the Russians, rather than we ourselves, have been able to establish a political agreement on which we can build with our economic aid, to the benefit of all peace-loving nations, we should thank them for it.

This extraordinary development, whether concerted or not by Moscow and Washington, may conceivably set a precedent for further political-economic collaboration in other parts of Asia and other parts of the world. Some day, though not soon, it might even be extended to the former colonies of French Indo-China, including Viet Nam.

Johnson Food Plan Faces Critical House Panel

By FELIX BELAIR Jr.

Special to The New York Times

WASHINGTON, Feb. 22 —

President Johnson's \$3.3-billion Food for Freedom program will start tomorrow to run the gantlet of a critical House Agriculture Committee that is apparently bent on expanding rather than restricting United States food production.

The two bills provide \$2.5-billion for sales of food abroad on easy credit and \$800-million for donations of food. They also propose a broad grant of power to the Secretary of Agriculture to determine how much of what crops should be produced for home consumption and to help feed the hungry underdeveloped half of the world.

Secretary of Agriculture Orville L. Freeman will be the committee's first witness. He has been trying for months to prevent farmers' impatience with production controls from developing into an emotional campaign that could sweep away the present elaborate system of acreage allotments and marketing quotas.

And for just as long the House committee chairman, Representative Harold D. Cooley, has been denouncing as folly the practice of paying farmers to plant less while half the world is hungry and some 12,000 people die of starvation every day.

Cost Put at \$4-Billion

Along with a majority of the committee members, the North Carolina Democrat has focused his criticism of the present system on the Secretary's authority to retire permanently 40 million of the most productive acres in addition to the 60 million already made idle at a cost to the Federal Government of about \$4-billion a year.

The widespread publicity given in Government and private reports to the ever-widening gap between populations and food supplies has influenced the thinking of Congress no less

than the farmers, whose first inclination is to plant more rather than fewer acres.

An influential member of the House group said last week that a poll of the committee would reflect a 180-degree turn in the majority sentiment in the last year. Where about 90 per cent of the group had favored continued restriction, it now believes that position to be untenable in view of the facts of world hunger and malnutrition, he said.

5-Year Program Asked

In addition to authorizing the money for long-term credit sales and donations of food for a five-year build-up of agriculture in countries with food deficits, the Administration bills would authorize the Secretary to set "reserve levels" for major crops. These are goals that would be adequate to satisfy domestic requirements, commercial export needs and whatever was necessary for the Food for Freedom program.

To assure such supplies without creating new surpluses, the Secretary would have available a whole arsenal of incentives and controls. He could fix price supports and marketing quotas at any level considered appropriate. He could also raise or lower reserve levels as domestic and world demands indicated.

If called upon to set such

reserve levels now, Mr. Freeman has said he would call for 630 million bushels of wheat, compared with an indicated supply of 750 million bushels next July. About 45 million tons of feed grains would be required, against an indicated supply of some 60 million tons at the close of the marketing year.

Ample though such reserves might appear, advocates of expansion point out that they assume continued normal weather conditions and yields per acre and make small allowance for natural catastrophes such as the famine now gripping India and worsening drought conditions in Africa.

The Committee's Doubts

The House committee has had a traditional unwillingness to give the Secretary of Agriculture authority to determine foreign as well as domestic requirements of major food crops and the spurs and controls to achieve this "balanced abundance." But it appears more concerned with what the Administration would do with the authority even if it were provided.

A majority of the group appears to believe that the Secretary is more concerned with preventing surpluses than with reserve levels adequate for normal and emergency needs.

On the other hand, those who

usually reflect the views of the Secretary suggest that the committee is caught up in the emotional fervor of feeding a hungry world on credit and is insufficiently concerned with maintaining United States farm prices and income.

Committee members, have not overlooked however, the fact that, while requesting the \$3.3-billion authorization, President Johnson indicated that none of the money would be needed in the fiscal year beginning July 1. This would mean that Food for Freedom shipments in that period would go no higher than the \$1.6 - billion already budgeted.

In addition, Agriculture Department officials have estimated that no more than \$2-billion would be used in the second year of the program. Both projections have confirmed some committeemen in the belief that the Administration's course would provide too little and too late.

The mounting sentiment for relaxing controls and expanding acreage will get another push this week at a conference on the world food situation to be held by the Freedom From Hunger Foundation here. Secretary Freeman is scheduled to address that meeting Thursday.

FREEMAN STRESSES SELF-HELP ON FOOD

Tells House Group of Terms
in \$3.3-Billion Aid Bill

By FELIX BELAIR Jr.

Special to The New York Times

WASHINGTON, Feb. 23—Secretary of Agriculture Orville L. Freeman urged Congress today to approve President Johnson's \$3.3-billion "food for freedom" program and promised that if successful it would save more lives than had been lost in all the wars in human history.

Mr. Freeman also gave the House Agriculture Committee more than a hint of the kind of "self-help" he would require of recipient governments as a condition of continued United States food aid. This included an implied criticism of Foreign Aid officials for not imposing such conditions in the past.

India should be required to shift up to 50 per cent of its 15 million cotton acres into the production of food crops and accept surplus American cotton in lieu of "food for freedom" supplies, the Secretary said. He suggested the same procedure could be followed in substituting coarse grains for wheat in helping hungry developing countries to help themselves.

The idea of substituting commodities already in surplus for those in short supply was not the Secretary's own but he embraced it readily after being lectured on the point by Representative W. R. Poage, Democrat of Texas and committee vice chairman.

Some Vehemence

"We've got 14 million bales of cotton that is surplus and there's no use calling it anything else such as abundance," the Waco Congressman said with some vehemence. "We can't eat it and we can't see it. All we can do is add to it from next year's crop."

"Why shouldn't we say to Indian, 'you should take 30 or 40 or 50 per cent of your cotton acreage and put it into something that will feed your people? Then, why not send them the cotton from our surplus stocks instead of the food that we would have to grow ourselves?"

"There's no sense in a country producing anything that's a glut on the world market. India, Egypt and Brazil together get the largest part of our food aid and all three produce tremendous quantities of cotton."

Getting back to India's cotton acreage and the United States surplus, Mr. Poage sought Secretary Freeman's views on the possibility of the arrangement he suggested.

"It should be done," was the Secretary's reply. He went on to explain that he hoped to use his newly acquired voice in the "forward planning" of development assistance in just that way. A new working arrangement with the Agency for International Development gives the Secretary authority to help determine agricultural development programs financed by agency.

As the Administration's first witness for the President's program the Secretary spent both morning and afternoon on the witness stand. He made these further points in his prepared testimony and in response to questions:

¶ "Some but not all" of the 60 million acres farmers now are paid not to plant may be returned to cultivation to provide "food for freedom" supplies.

¶ There is no thought of scrapping farm controls.

¶ Population control programs are of "urgent importance" in developing countries where birth rates are high. "But even if such programs succeed there will remain an urgently critical need for food for at least one or two decades."

¶ There is no plan to retire permanently 40 million farm acres on top of the 60 million already diverted.

¶ The legislation asked by the President means that there will be planned surpluses of major food crops for years to come, but not in excess of prudent reserve stocks nor in such quantities as to depress farm prices and income.

NEEDY-NATION FOOD OUTPUT BOOST URGED

Freeman Says Under-
developed Areas Must
Step Up Production

[Washington Bureau of The Sun]

Washington, Feb. 23—Ultimate disaster for the hungry people of the underdeveloped world can be averted in only one way, Orville L. Freeman, Secretary of Agriculture, said today — "by greatly accelerating the expansion of food production within the hungry nations themselves."

Testifying before the House Agriculture Committee on President Johnson's Food for Freedom program, the secretary said that the disaster can be postponed a few years, perhaps, by calling back into production all the acres this country has diverted from production.

The Administration contemplates that this will be done gradually, but basically the problem of feeding hungry lands rests on "increasing their agricultural productivity."

"Those most densely populated

will have to do it the hard way by increasing yields, for they already have under cultivation most of their available acres," Freeman said.

This country can and will help those nations to fill the gap in their food and fiber needs as they pursue their self-help efforts, and until they reach a level of self-reliance where they can either produce or buy what they need, he told the committee.

Among the serious obstacles in the way of accelerating agricultural productivity in many lands are such things as low rates of literacy, lack of know-how, and absence of means by which to help farmers to use new and better methods.

Fertilizer, chemicals, machines and tools are scarce, and most

hungry nations have little foreign exchange with which to buy them.

Many of them lack roads, marketing facilities, farmers cooperatives and sources of credit, and since most of the needy countries are in tropical regions agricultural research and technological advance have lagged far behind the agricultural activities of temperate zones, Freeman said.

Representative Poage (D., Texas) raised the question as to why India, one of the food-needy lands, devotes 10,000,000 to 15,000,000 acres of her productive land to raising cotton.

"Why shouldn't these acres be turned into food production, at least why shouldn't at least 30 or 40 per cent, be devoted to raising something to feed India's hungry people?" he asked. The United States could furnish all the cotton India needs, he added.

Freeman agreed—"it should be done," he said.

Poage also asked why India should be growing and selling sugar abroad. To that the Agriculture Secretary replied that "By selling their sugar they get foreign exchange which they need to buy fertilizer and thus expand their food producing capacity."

BELL'S CURE FOR FOOD GAP IS OUTLINED

Foreign Aid Manager
Ties Surpluses
To Self-Help

[Washington Bureau of The Sun]

Washington, Feb. 24—David E. Bell, administrator of the United States foreign aid program, today told the House Agriculture Committee that judicious use of American surplus food tied with technical and other assistance to needy countries can in time reduce to manageable proportions the world's serious food gap.

The reorientated Food-for-Freedom program launched by President Johnson will require, however, that underdeveloped countries pursue purposeful and intensive self-help activities, he told the committee.

Bell pointed out that considerable progress has been made in agricultural development in many countries during the past fifteen years.

So the problem is not that of just overcoming inertia of a motionless machine, but that of accelerating growth processes already under way, he said.

In pursuit of this aim, said Bell, the United States Agriculture Department, the nation's land-grant colleges and universities, the nation's farming and business communities and the Agency for International Development will mobilize the best talent available to help.

Rusk Says Hunger in Needy Nations Perils Peace

By FELIX BELAIR Jr./
Special to The New York Times

WASHINGTON, Feb. 25 —

Secretary of State Dean Rusk told Congress today that the peace and security of advanced nations, including the United States, was threatened by widespread hunger in developing countries.

In a statement to the House Agriculture Committee, the Secretary urged approval of the Administration's five-year Food for Freedom program, which provides \$3.3-billion a year for donations of United States food and sales of food on credit to needy countries while they are developing the capacity to feed themselves.

The Secretary's statement was read to the House panel by Under Secretary of State Thomas C. Mann. The committee chairman, Representative Harold D. Cooley, Democrat of North Carolina, explained that Mr. Rusk had been summoned to the White House by the President to take part in a briefing of members of the House and Senate by Vice President Humphrey.

Mr. Rusk said the growing disparity between world population growth and declining per capita food production was "a very disturbing trend" that, unless checked, would lead to "grave dangers."

Questions World Effort

The key question of the moment, he said, is whether the advanced nations acting together are able and willing to head off widespread hunger and consequent political chaos.

"This is a question of basic importance, even to our own prosperous nation with its ever-amazing farm production," Secretary Rusk told the group.

"Apart from our humanitarian interests in fellow human beings, we know that we cannot find enduring security in a world in which a few are rich and other people live in misery and starvation," he said.

"So the question we address here is basic to the welfare, and even the survival, of the human race—hence basic to our own welfare and security."

Mr. Mann disclosed in response to questions that a devaluation of the Indian rupee had been recommended by a working team of experts representing the United States and other donor countries as well as the World Bank. It was one of the self-help measures by which Mr. Mann said India might further its economic development.

Resources Shift Urged

United States officials have believed for some time that India's currency was overvalued, Mr. Mann said. The matter has been under discussion between donor country officials and the Indian Government, he said.

Other steps calculated to spur India's development include channeling a larger portion of the country's material resources into private enterprise, as against Government-operated enterprises, he said.

Ahead of both these moves

Asks House Panel to Approve Food for Peace Program —Says Others Must Help

the group suggested a higher priority for agricultural development, and Mr. Mann said India was moving vigorously in this direction. He did not say what, if anything, the Government proposed to do about devaluation and increasing attention to private enterprise.

Chairman Cooley demanded to know of the witness whether United States officials were impressing on governments receiv-

ing food aid that steps had to be taken to curb present rates of population growth.

"We are talking about it a great deal," said Mr. Mann, "and there is a growing world wide awareness that something must be done about the problem. But I think we're going about as fast as we can go in helping these nations help themselves."

Mr. Mann told the committee in response to questions that this Government could go only so far in trying to tell the food-short developing countries what they ought to eat even though the food was supplied by the United States on long-term credit.

The \$3.3 Billion Carrot and Stick

When our warehouses were bulging with surplus food, it was logical that we should give it away. We helped foreign countries in need and they salved their pride by suggesting they were helping us by relieving us of stocks which we no longer could store.

But now the situation has changed. Some \$14 billion worth of food and fiber has been shipped to 70 countries over something more than a decade, and our surpluses are about spent. We no longer will have the problem of looking for some one abroad to take our food off our hands; and the original purpose of Public Law 480 will disappear with its expiration at the end of the year.

The question now before Congress is whether it should approve a new successor law—euphemistically entitled “food for freedom”—so that we should deliberately produce surpluses which formerly were the undesired result of a disorderly agricultural economy. It is one thing to give away what you do not need; it is quite another to produce what you do not need so that you might give it away.

The proposed law consequently is being given a *rationale* which is different from the expiring one. It has been hinted at, but not sharply pointed up, by President Johnson and Secretary of Agriculture Freeman in their petitions to Congress. It is—to put it very bluntly—that it is not safe for a country which has the power to produce excess quantities of food to refrain from doing so at a time when millions, literally millions, are dying of hunger in Asia, Africa and to a lesser extent in Latin America. The political and even the economic consequences of our holding back would be unpredictable.

Thus it might be said that we must produce because we are stuck (what a fortunate way of being stuck) with the

capacity to produce. Not only do we have a moral obligation, but it is in our national interest to do so.

However, Mr. Freeman, in his testimony before the House Committee on Agriculture, observed that the needs of the under-developed countries will be so great in another fifteen years that the United States, even if it produced at full draft, bringing back into cultivation all the 60 million acres now in subsidized retirement (and more and more are destined to be reactivated), will be unable to meet them. This makes it imperative that these countries increase their own agricultural output by 4 or 5 per cent annually—roughly double the present rate.

The aim of the proposed law is to use future surpluses not only to feed the hungry but also as a combined carrot and stick to induce and prod foreign countries into making the great efforts and sacrifices required if they are even to approximate this percentage increase. That will involve us in something very close to interference in the internal agricultural policies of foreign countries; and—far from receiving any gratitude—we shall be lucky if we are forgiven for being so prosperous as to be able to give food away and for insisting that others follow our example so they might produce more of their own.

However unpopular we become, we may have the satisfaction of having saved millions of lives—and of increasing our own security by reducing the danger of a world crazed by hunger. Whether we do or not will depend on how effectively Mr. Freeman's department and AID operate the \$3.3 billion carrot and stick Congress is being asked to give them. The Congress should use its own carrot and stick to secure the desired performance.

SHUMAN OPPOSES FOOD AID PROGRAM

Scores Johnson Proposal as
Breeder of Socialism

Special to The New York Times

WASHINGTON, Feb. 28 —

The nation's largest farm organization urged Congress today to reject President Johnson's \$3.3 billion-a-year Food for Freedom program as a breeder of unwanted surpluses and "Socialist farm planning."

In a statement to the House Agriculture Committee, Charles B. Shuman, president of the American Farm Bureau Federation, sounded the first dissenting note in the chorus of approval from Administration and academic witnesses during two weeks of hearings on the plan.

The farm leader demanded the gradual abandonment of acreage allotments, marketing quotas and other restrictions on producers. He called for ultimately reliance on the "market price system" of rewarding efficient farmers instead of the present system of government price supports, direct payments and commodity loans to those curtailing output.

Warns on Controls

"We cannot support a policy of attempting to supply world food needs simply by superimposing a Food for Freedom program on current domestic price supports and adjustment programs," Mr. Shuman told the House group.

"Our policy moves in the direction of substituting the production of food for market needs for acreage controls and the market depressing direct payment programs currently in effect for many commodities."

Instead of telling farmers what they must do to be eligible for various Federal subsidies, Mr. Shuman proposed that they be informed of prospective domestic and foreign demand and then let the laws of supply and demand establish the price of the product in a free market. He favored retention of commodity loans temporarily.

While favoring food aid to poorer countries through loans during the present and prospective emergency period, Mr. Shuman demanded that only those governments receive such aid that agreed to adopt "the American success formula" of the private incentive system.

A Willingness Test

The farm leader proposed as a test of the willingness of recipient government to liberalize their agricultural policies the abandonment of ceilings on farm prices wherever they prevailed. He said the \$25-billion of food aid shipped abroad in the past decade had been used largely "to prop up sagging Socialist systems around the world" instead of "showing the direct correlation between Socialism and increasing hunger."

The same criticism was leveled by the witness at United States foreign and generally.

"Foreign aid to India has failed as a program," he said. "It has only prolonged the life of the Socialist government of that country and is responsible, more than anything else, for the present hunger there. The incentive system of free market prices could enable India to feed itself in ten years."

Spokesmen for two smaller farm organizations—the National Farmers Union and the Midcontinent Farmers Association—urged approval of the Administration's program of food aid combined with self-help conditions on such credit sales. They also urged continued price protection for farmers.

2 TOP FARM GROUPS SPLIT ON FOOD AID

Different Theories Are
Listed On U.S. Help
For Nations Abroad

[Washington Bureau of The Sun]

Washington, Feb. 28—The nation's two leading farm organizations, the American Farm Bureau Federation, and the National Farmers Union, today disagreed about how the United States should undertake to assist underdeveloped nations.

The farm bureau proposed enactment of what it called "marketing food for freedom" in place of the "food for freedom" plans recently urged by President Johnson.

Charles B. Shuman, bureau president, in testimony before the House Agriculture Committee, recommended "a gradual shift of funds now being spent for farm-price supports, direct payments, and the 'food for peace' program to a new program which would permit both a substantial expansion in the present rate of food shipments and a gradual phase-out of existing price support and payments programs for food and feed commodities as the market system is strengthened."

Gives Critical View

He said the farm bureau could not support "a policy of attempting to supply world food needs by superimposing a food-for-freedom program on current domestic price support and adjustment programs."

Representative Belcher (D., Okla.), told Shuman his proposal amounted to no more than a plan just to "shift Federal subsidies from one pocket to another."

The farmers' union spokesman, Reuben L. Johnson, strongly commended the President's "new direction" in the food-for-freedom program but urged that "the program not be subsidized by America's family farmers."

In general, however, he endorsed the Administration proposals to use United States food and fiber in concert with other assistance "to make a lasting contribution to the ability of needy nations to feed themselves."

March 2, 1966

Hunger Wholesale

THE days of tragedy are nearing, if not at hand already for some families, in India. The latest reports from there indicate that some 12 million people are in "dire distress" and face the threat of starvation now.

It appears that the government does not fully know just how bad the situation is in certain parts of the nation.

People in the western part of India, the area hardest hit, are being assigned to huge relief camps and food supplies are being rushed from all parts of the nation to alleviate as much suffering as possible.

The approaching famine is further complicated by the most severe drought in a century, a condition which has caused the government to commence emergency shipments of drinking water and of fodder for cattle.

Eleven ships carrying 193,000 tons of grain recently left the United States for India. Eighty more were scheduled to depart by the end of February.

One of the sadder aspects of this effort by the U. S. to help a suffering people is that some of this grain will rot in Indian harbors because of inefficiency in unloading procedures and filthy, rodent-infested dockside warehouses.

In the name of simple humanitarianism we hope the President will continue and expand his many efforts to help the Indians in their hour of need.

Regardless of where the blame lies, the prospect of massive starvation anywhere is sickening to decent people.

In this connection, it is gratifying that other countries are showing an interest in the plight of the Asian land.

For a change, Uncle Sam is going to get some help with something.

Food for Freedom

President Johnson has asked Congress to replace the Food for Peace program with a new, five-year, Food for Freedom program. This would shift the major emphasis from gifts of surplus foodstuffs to their sale for dollars to nations that are willing and able to pay for food. We still would continue to feed impoverished countries without charge.

At the same time, the secretary of agriculture would be directed to maintain reserves sufficient to meet both the needs of the United States and the shipments required under foreign aid and export sales. It is a bold program, involving a maximum of \$3.3 billion per year, but in the long run it may turn out to be more practical than Food for Peace and not much more costly.

As the richest and most productive agricultural nation in the world, the United States is in the happy position of being able to care for itself while at the same time supplying less fortunate or less productive nations. The difficulty in the past few years has been that we have concentrated upon gifts of aid, or upon receiving payment in counterpart funds, local currency. But we have neglected programs to improve agriculture within the countries helped. Thus after 10 years, we are still making massive emergency shipments to India because that nation has not made sufficient improvement in its own agricultural potential.

Two-thirds of the world's people are reported by international authorities to be living on inadequate diets. Population continues to skyrocket. The world now houses 3.3 billion people. By the year 2000 it is expected to reach 6 billion. The Johnson program would provide more technical assistance to have-not countries by teams of farm experts; larger supplies of tools and fertilizers plus pesticides; and would make aid conditional upon improvements in food handling, distribution, and transportation.

Food Delay Means Death in India

The worst drought in 70 years has brought a severe food shortage to India. Thousands are threatened by starvation or death from malnutrition.

Yet ancient and insufficient systems of food handling and distribution still exist, and little is being done to correct them despite the growing tragedy.

The United States has promised three million emergency tons of wheat for India. Already thousands of tons are arriving by ship in India's ports. But disturbing accounts tell what happens thereafter to the life-saving commodity.



SHROUDS

Where speed should be a primary factor, men with tin pans slowly scoop wheat into burlap bags, and others haul it from the ship's holds.

Wheat moves inland by some trucks and trains, but also by oxcart and riverboat. Much is lost in multiple handling. Birds and rodents get far more than their share.

Finally, the government finds it difficult to locate a dealer willing to sell the wheat at the government's fair price. Wheat brings up to three times more on the black market.

Considering this record, the U.S. would do well to send crack teams of experts on marketing, distribution and food handling to India to help find a better way of processing the aid shipments.

The number of trucks (as opposed to oxcarts) transporting food should be greatly increased. The Indian government should crack down on black market sales, and with American help, it should modernize all distribution methods.

The ghastly prospect exists that people will be dying while wheat sits in a ship or warehouse or slowly is hauled to a village in an oxcart.

March 18, 1966

AID TO INDIA AND PAKISTAN IS ATTACKED

Legislator Asks Rusk If Proposal Is 'Reward' For Kashmir Clash

By JOSEPH R. L. STERNE
[Washington Bureau of The Sun]

Washington, March 17 — Administration foreign aid plans for India and Pakistan were challenged today by legislators incensed over last year's clash in Kashmir.

At a House Foreign Affairs Committee hearing, Representative Hays (D., Ohio) sarcastically asked Dean Rusk whether a tentative proposal to extend military assistance to the two nations was "a reward for their going to war with each other."

In a similar vein, Representative Fulton (R., Pa.) asked the Secretary of State why Centurion tanks the British furnished India were able to knock out Patton tanks given Pakistan by the United States.

"Sobering Experience"

Rusk tried to fend off the congressional attack by saying that the Kashmir conflict was a "sobering experience" for India and Pakistan that is not likely to be repeated.

Asserting that no decision had been made about extending further military assistance to the two nations, he stressed that increased economic aid to meet the subcontinent's hunger problem is vital to United States security interests.

The Secretary of State said it will make an "enormous difference" to this country whether the subcontinent develops its agriculture to meet its mounting food needs or is riven by the violence that a failure in this field would produce.

Living Peacefully

If India and Pakistan could learn to live together peacefully, bending their efforts to economic development, Rusk said they could become "impregnable" to Chinese pressure and aggression from the North.

He told the committee he was much encouraged by India's December decisions to give top priority to agriculture and to welcome foreign private investment in fertilizer plants and other activities related to the food problem.

The United States is willing to help underdeveloped countries that go "flat out" in their efforts to develop their own agriculture, he said.

5-Year Plan Hit

The secretary, who evidently anticipated static over aid plans for India and Pakistan, also drew criticism regarding the Administration's request for a five-year foreign aid authorization.

Representative Zablocki (Wis.), No. 2 Democrat on the committee, told him the Administration would be lucky to get even a two-year authorization.

From Representative Frelinghuysen (R., N.J.) came the complaint that the Agency for International Development was seeking a "blank check" to avoid a yearly review of aid authorizations for the next half decade.

Rusk responded by saying the Foreign Affairs Committee perhaps could make a greater contribution with in-depth studies of special aid problems instead of engaging in broad time-consuming annual hearings covering the entire program.

New aid tack

U.S. spurs India to enterprise

By Saville R. Davis
Staff correspondent of
The Christian Science Monitor

Washington

The greatest tact, sensitivity, and mutual concern will be necessary in the months ahead to keep the relations between the United States and India on a constructive tack.

For President Johnson's "bold and daring" new approach to foreign aid now will begin to take hold.

What the President is requiring is nothing less than a heroic effort by India to shake loose from the inertias and inefficiencies that have bogged its great development programs down. He knows this has to come willingly from India itself. It could not be imposed from the outside.

Nevertheless the President is determined that the United States shall not continue to pour large sums into what could prove to be a self-defeating development effort in the long run.

He is convinced that it will be better for India to face its shortcomings in this field now, when it is not too late. He does not wish to have automatic and unquestioning American aid the means by which India is released from the obligation to do this.

This is the central topic of the White House talks between the President and the new Indian Prime Minister.

Differing viewpoints

Both sides intend that it shall be handled with the discretion that such a potentially explosive topic demands. It is expected that each begins with the national viewpoint of his own country and it is understood that these are widely different if not opposite at the start.

A long and largely private dialogue, to be carried on by the two top figures and at various lower levels in the months and years ahead, is in prospect.

The magnitude of the problem to be faced is shown by the difficulty of defining it in

or unconscious hostility to even the responsible elements of private enterprise in a country devoted to central planning, and the inexperience that besets any developing country that is venturing into the sophisticated realms of modern business and industry.

- The tangible form that such attitudes take: "inefficient controls."

- A poorly designed and enforced taxing system.

- A tendency to let aid from the outside gloss over the need for that "transformation of society" that a rapid and efficient development program requires.

Ineffective distribution

- Inadequate facilities, credit, advisory services, and the like, ineffectively distributed to small and medium sized farms and businesses.

India is given full credit for having done much more than many other developing countries in these directions. But they remain, in the American view, major shortcomings when compared to what could be done.

Mr. Johnson wants "solid evidence" that India is coping with these problems. He asks for action not promises. He is known to be convinced that without the kinds of modernization listed above, aid from outside a country like India will be "wasted" in the long haul.

Both candor and a constructive approach to these problems are expected from both parties in the White House talks. Very little of it is likely to become public. But a new chapter in the relationship of the two countries is beginning with this first high-level contact since Mr. Johnson made his decision to change the character of the aid program.

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Officials at the United States Space Nuclear Propulsion Office called the test a success. The engine, called NEPVA produced more than 40,000 pounds of thrust and 1,125 million watts — more than Hoover Dam at peak power.

U.S. GETS RUPEES IN SALE OF FOOD

Yield on Surpluses Mounts
Too Fast to Be Spent

Special to The New York Times

WASHINGTON, March 28 —

The rupees that will be used to establish an educational foundation in India, a project announced by President Johnson tonight, are part of the United States holdings of foreign currencies accumulated chiefly from the sale of surplus United States food under the Food for Peace program.

About 80 per cent of the local-currency proceeds of such food sales are normally lent back to the buying country for economic development purposes, such as public works, with the United States retaining the remainder for its own use.

In most countries of the world, the embassy and other direct United States needs absorb all the United States share of the proceeds. But in 10 countries, of which India is the chief example, the United States has piled up far more local currency than it can possibly use.

The other countries in the category are Burma, Ceylon, Guinea, Israel, Pakistan, Poland, Tunisia, the United Arab Republic and Yugoslavia.

Holdings Ahead of Spending

Although the numbers of countries is small, the amount is huge. President Johnson's budget estimated that the total of excess currencies in the 1967 fiscal year would be \$1.84-billion, including \$840-million in rupees. The present holding of rupees. The present excess holding of rupees is \$575-million and heavy food shipments this year will raise the total.

Only about \$40-million in excess rupees had been expected to be used in the 1967 fiscal year before today's announcement.

As an example of the problem, in India only about \$40-million had been expected to be used in the 1967 fiscal year before today's announcement.

Apart from sales of surplus food, the United States also acquires local currency from repayment of loans. Under a program now discontinued, many of these loans were repayable in local currencies.

Local currencies also pile up as the excess deposits earn interest.

Although deposits in only 10 countries are classified as "excess," United States-owned holdings of local currencies have piled up in 11 other countries to the point where they are now classified as "near-excess." They are Brazil, Colombia, the former Belgian Congo, Finland, Indonesia, Morocco, the Sudan, Syria, Taiwan, Turkey and Uruguay.

Sales of surplus food for local currencies, the chief source of the buildup of United States holdings, began in 1954. Under the Administration's proposals for a new program, sales for local currencies would gradually be phased out and the food would be sold for dollars on long-term credit.

In countries where there are excess currency holdings, one use found for them has been to pay some of the expenses of visits by Congressional delegations.

In India, in addition, the Government has authorized the sale of excess rupees to American tourists. However, the initiative for this must come from the tourist, who gets no better rate than in his hotel or a bank. Thus this device has not proved very useful.

Local currency holdings are not the same as "counterpart funds," a term used in the days of Marshall Plan aid for Europe and now discontinued. These were local currencies set aside

by the aid-receiving country to match the amount of the aid. These funds were at no time owned by the United States, but the United States had some control over how they could be spent.

Boost for India A Practical Move

President Johnson's proposal to establish in India a foundation to promote education and research is a practical suggestion. First, such help can be put to good use and, second, the \$300 million cost would put rupees back to work in dollar-short India.

The rupee is not an international currency, as the dollar is, and the American government would find it good policy not to hoard the accumulated rupees. India has great resources to develop but it has overwhelming problems that education and research can cope with.

Our own interests would be served if the proposal results in a stronger and more self-sufficient nation in India. Asia has many years of struggling to do before desirable stability can be anticipated.

India has immediate need for reforms in agricultural policy and those reforms could be materially advanced through necessary education and research. Reforms include the greater use of better seeds and fertilizer and the use of better tools.

Mrs. Indira Gandhi, the new prime minister, came to Washington to discuss relations with the United States. The Johnson proposal is solid evidence that our interest in helping the area continues to be strong.

U. S.-India Impasse Remains

Which Comes First, Revision or Aid?

By RICHARD H. BOYCE
Scripps-Howard Staff Writer

India's prime minister left here today with the stalemate over U.S. aid and India's economic reform still unresolved.

In two days of talks, Mrs. Indira Gandhi got from President Johnson and other high U.S. officials only these things:

✓ A statement that Washington fully understands India's problems.

✓ General assurances that India will be helped over her crisis.

✓ But no specific promises on U.S. economic assistance.

The only substantive item that came out of the talks was Mr. Johnson's proposal to create a \$300 million Indian-American foundation to attack India's long-term needs.

LBJ REQUEST

Today, President Johnson asked Congress to indorse an emergency shipment of 3.5 million additional tons of food grains to India to help fight famine. He also urged other nations "which have either the food to offer or the means to buy food" to match the U.S. shipment.

The U.S. already has allotted 6.5 million tons of grain for India in the current fiscal year. And Mr. Johnson said Indian officials estimate an additional 6 to 7 million tons will be needed thru next December.

The President said he was delighted to learn that Canada was ready to provide one million tons of wheat and flour to the troubled nation. But, he emphasized, other nations must help.

"The implications are grave. India faces an unprecedented drought," he said. "Unless the world responds, India faces famine."

FOOD OUTPUT

India wants more food output and a stronger industrial sector, but crash correction programs face political opposition. Modern agricultural innovations, opponents insist, would enrich already high-yield farms and simply emphasize the gap

between them and lower-production areas. Fertilizer distribution programs have become a pork-barrel of favoritism in Mrs. Gandhi's ruling Congress Party.

The U.S. wants India to admit foreign private investment to build private fertilizer manufacturing plants and other industry. But India prefers government-run plants and socialistic controls on all private industry. This is the nub of the stalemate between the two countries.

Washington may be willing to hold off pushing for an early settlement of the Kashmir dispute, despite its threat to the peace of the Asian subcontinent. This is an election-campaign year for India, and Mrs. Gandhi for political reasons cannot be expected, U.S. officials said, to make concessions to Pakistan. As an astute politician himself, LBJ recognizes this.

Observers speculated that the Kashmir problem may be

quietly laid aside until after India's elections next February, when it could be approached again with less political reaction expected.

It was emphasized that both India and Pakistan already have "done the easy things" toward a Kashmir settlement. They have agreed to a cease-fire and have pulled troops back to pre-

fighting positions, have exchanged prisoners, and have re-established diplomatic and commercial relations.

Mrs. Gandhi was in New York today for meetings with UN Secretary General U Thant, Gov. Nelson A. Rockefeller and Mayor John V. Lindsay, among others. She leaves New York Friday night for New Delhi.

Mr. D. P.

Aid to India

At no time was there any serious question that the United States would refuse to help India through the serious food emergency caused by last year's drought. President Johnson's meeting with Prime Minister Gandhi, on Monday and Tuesday, and the special message he sent to Congress yesterday, affirmed this point. The additional assistance promised is in keeping with the American tradition of offering help to countries in need, and in this instance it is in keeping with our policy of maintaining a close and friendly association with one of the great democracies. Our own economic and social problems, pressing as they often are, seem orderly and manageable in comparison with those of Mrs. Gandhi's Government.

While it was important to reaffirm the continuation of emergency food shipments to India, as the President did, it was probably of longer-range importance to stress the measures India is taking—and can take—to "achieve self-sufficiency in the nation's food production," as the communiqué put it.

Of special interest, to the people of India and the United States, was the announcement that a \$300 million Indo-United States foundation will be established in India "to promote progress in all fields of learning." It will be financed with Indian currency held in that country by the United States, acquired through the sale of farm commodities. This is an admirable plan, which will be widely applauded and followed with genuine interest.

1 Billion Anti-Famine Aid Asked For India

Johnson Seeks Congressional Indorsement;
Indians Expect Early Resumption

Tokyo, Thursday, March 31 (AP) — Peking's official new China news agency said today the United States-India talks in Washington have made it clear that "to beg for more United States dollars the Indian Government has committed itself more deeply to the service of the United States policies of aggression and war in Asia."

Request

By PHILIP POTTER

[Washington Bureau of The Sun]

Washington, March 30—President Johnson today declared India "a good and deserving friend" and asked Congress to indorse a proposal which he already has legal authority to implement for a \$1,000,000,000 anti-famine program there.

At the same time he called on other nations to match, with food or money, a new allotment of 3,500,000 tons of food grains he proposed today to keep United States shipments to India going. The monthly rate now more than doubles that of 500,000 tons during the fiscal year ending last June 30.

The new allocation would be added to 6,500,000 tons already committed for shipment since last July 1.

Cost Put At Billion

Orville Freeman, Secretary of Agriculture, told newsmen the total cost of agricultural products going to India under the President's program during the eighteen-month period ending next December 31 would approach \$1,000,000,000.

President Johnson told newsmen Washington would "expect and press for the most energetic and compassionate action by all countries of all political faiths, but if their response is insufficient, and if we must provide more, before we stand by and watch children starve, we will do so."

Asserting that every government should seek to supply the "maximum it can spare — and then a little more," Mr. Johnson suggested that if they have no spare food they could supply "a generous equivalent" in fertilizer, or in shipping, or in money to buy both to help with India's badly overburdened balance of payments. Such aid should be free or payment should be in non-convertible rupees to save India's scarce foreign exchange, he said.

No Timetable For Action

Noting his authority to act without Congress, the President said he, nevertheless, wanted its indorsement and if debate on the "sense of Congress" resolution developed ideas to improve his program he would welcome it. There is no timetable for action, he said.

He also invited "strong and warmhearted and generous support" by the American people, while urging a similar response to India's need by "governments and people the world around."

"India is a good and deserving friend," he said. "Let it never be said that 'bread should be so dear, and flesh and blood so cheap' that we turned in indifference from her bitter need."

Delighted By Canada Move

Mr. Johnson said he was delighted by news that Canada is granting India 1,000,000 tons of wheat and flour.

With this and what we have given and are now proposing, the remaining gap in meeting an estimated minimum need for 11,000,000 to 12,000,000 tons of bread grains from the outside during the 12 months of this year would be in the neighborhood of 2,500,000 tons. Freeman suggested that France, which has had good crops, might be a source for some of it. West Germany has no food surplus but is being importuned to send fertilizer.

"Threshold Of Great Tragedy"

The Canadian food grant is valued at about \$75,000,000. Freeman said that aside from the United States and Canada's contributions all other countries combined have made available about \$80,000,000 to \$100,000,000 in anti-famine aid and this was "modest in relation to the need and what we are doing... this isn't just a United States responsibility. When disaster strikes 600,000,000 people all the world ought to respond."

Completion of United States shipments to India, Freeman said, would leave this country with a "comfortable cushion" of 16,000,000 tons of food grains, equivalent to a year's domestic consumption.

The new emergency program submitted to Congress, in addition to expanded shipment of bread grains, would include an allotment of 200,000 tons of corn, up to 150,000,000 pounds of vegetable oils and 125,000,000 pounds of milk powder — primarily for improvement of children's diet—from 325,000 to 700,000 bales of cotton and 2,000,000 to 4,000,000 pounds of tobacco. Freeman said the cotton and tobacco would release about \$155,000,000 in India's foreign exchange for purchase of food and fertilizer.

Mr. Johnson said unprecedented drought because of failure of the monsoon rains had brought India to the "threshold of a great tragedy," but if free people everywhere rallied "the suffering can be limited."

"A sister democracy will not suffer the terrible strains which famine imposes on a free government."

Indians and their leaders, he said, were a proud and self-respecting people who preferred to help themselves but who faced a natural disaster.

"A Creditable Achievement"

Denying neglect of agriculture during India's 18 years of independence, he said, a 75 per cent increase in food output from 1950 to 1965 had been a "credible achievement," somewhat obscured by a "relentless increase in population" and greater consumption due to increasing per capita income.

In consequence, he said, it had remained heavily dependent on our help even before the drought, absorbing in the fiscal year ending last June 30 about 6,000,000 tons of food grains, equivalent to two fifths of our own annual consumption and to two fully loaded Liberty ships daily.

To prevent a recurrence of this year's disaster, Mr. Johnson said, the Indian Government has evolved sound plans for the strengthening of agriculture and the general economy, which he proposes to help implement through action by the Agency for International Development and the World Bank. The latter sponsors an "Aid India" consortium of ten free world nations, including the United States, which has mustered economic aid for that country.

To "Help India Help Herself"

Mr. Johnson said the steps now being initiated by the Indian Government "will help India help herself."

Consultations Planned

Freeman said the contemplated program would "free up" the private enterprise sector of the economy and attract more foreign capital for fertilizer production, make more credit available to cultivators, make better use of irrigation and promote better farming practices of every kind, with India, as he put it, "shooting for self-sufficiency in agriculture by 1971."

Government control of prices and marketing heretofore had discouraged foreign investment in fertilizer plants, but the Government already has moved to ease the barrier by announcing that new fertilizer companies licensed prior to March 31, 1967, will be free to sell their products directly, without Government control as to price or distribution for a period of seven years, the Government reserving the option to take up 30 per cent of the product at a negotiated price.

Consultations Planned

Mr. Johnson, in his message to Congress, said India's contemplated agricultural program must be accompanied by a strong training and education program. He said he had directed Freeman and AID to consult with Indian officials as to means by which we can strengthen this effort.

He expressed conviction that American agricultural experts would respond to any appeal to sever India as apart of an Agricultural Training Corps or, through expansion of the Peace Corps contingents already there, to help with agricultural short courses, extension work and related programs.

Assistance to India should not be "narrowly limited by what has been done in the past," Mr. Johnson said. "Let us not be afraid of our own enthusiasm. Let us be willing to experiment."

Family Planning Efforts Cited

He noted the vigorous effort Mrs. Gandhi's Government is making to promote family planning, adding "the choice is now between a comprehensive and humane program for limiting births and the brutal curb that is imposed by famine."

The President also alluded to the proposal he announced during Mrs. Gandhi's two-day visit here for an Indo-United States foundation financed by \$300,000,000 worth of the non-convertible rupees the United States holds from sales of surplus agricultural products there.

It would be governed by distinguished citizens of both countries, Mr. Johnson said, and its aim would be to stimulate education and scientific research in India, particularly relating to agriculture.

Impressed By Vigor

He said he was impressed by the vigor and determination of the present Indian Government, adding:

"As their plans are implemented, we look forward to providing economic assistance on a scale that is related to the great needs of our sister democracy. An India free from want and deprivation will, as Mahatma Gandhi once predicted, 'be a mighty force for the good of mankind'."

INDIA HOPEFUL OF SPEEDY AID

Import Policy Liberalized
For Next 12 Months

Expectation

By JAMES S. KEAT

(New Delhi Bureau of The Sun)

New Delhi, March 30—Authoritative sources here expect an early resumption of American economic aid following the apparently successful visit of Prime Minister Indira Gandhi to Washington.

The lack of reference in the joint communique to the \$235,000,000 in aid pledged for the current fiscal year but frozen since last September came as no surprise to Indian officials here.

They assume, however, that there has been at least a tacit understanding between President Johnson and Mrs. Gandhi that the aid blocked since the Indo-Pakistani conflict will be released very shortly.

Import Policy Liberalized

Mrs. Gandhi was not anxious to have the aid released as a direct result of her two-day visit to Washington. She did not want to leave the impression here that she had gone to Washington on a "begging" mission.

The official assumption that the flow of aid, which has totaled nearly \$500,000,000 a year recently, will be resumed promptly was illustrated in today's announcement of a liberalized import policy for the coming twelve months.

The Commerce Ministry said it would issue import licenses in the fiscal year beginning Friday for a "significantly larger" amount of goods. As usual, the ministry declined to place a rupee value on the allotments.

Asked how India intends to pay for the larger imports, a Commerce Ministry spokesman said they would be financed not by increased exports but by "the fresh flow of aid again."

Imports, even of essential goods, were sharply curtailed last year when India's balance of payments position deteriorated alarmingly. They were cut even more last fall when American economic aid, which included \$200,000,000 for essential goods unrelated to specific projects, was frozen.

The spokesman said the allowances would still permit only an "austere" amount of imports in relations to the economy's needs. The term liberalization related only to last year's tight controls, he said.

Slashed One Third

Preliminary estimates indicated that imports in the fiscal year just ending were slashed roughly one third below the previous year's. The spokesman implied that the import level would be approximately restored to the \$2,100,000,000 spent abroad in 1964-1965.

Figures released by the Commerce Ministry indicated that India's foreign exchange reserves are still dangerously low. They stood at the equivalent of \$230,000,000 earlier this month.

This represents an increase of \$50,000,000 in the past twelve months but is still only \$7,000,000 over the amount required to back the Indian currency.

According to the ministry's provisional estimates, exports last year failed to increase over the \$1,700,000,000 worth of goods sold abroad in 1964.

Another index of India's economic troubles was disclosed earlier this week when the Government announced that per capita income adjusted for inflation had risen only 8 per cent in the last four years.

This does not include the current fiscal year and its disastrously bad harvest.

Total output at constant prices rose 18 per cent in the four years ended last March, but the steady population increase ate up most of the gain.

As for the future, officials were awaiting Mrs. Gandhi's return this weekend before laying further plans. They have received only sketchy reports thus far of her talks with Mr. Johnson.

However, tentative plans call for the dispatch of a mission of senior economic officials to Washington within two months to discuss India's needs for the five-year development plan which starts theoretically on Friday. The mission is expected to include at least one Cabinet member, Asoka Mehta, Planning Minister.

Officials here do not believe there will be many administrative details to be worked out for the resumption of aid already pledged for this year, since most of them had been settled when the freeze was imposed.

Of the \$435,000,000 pledged in the current fiscal year, \$150,000,000 has been released for purchase of fertilizers and essential commodities needed to keep Indian factories in operation.

None of the aid figures include the substantial amount of surplus food which is being shipped to India to meet the acute shortage caused by last year's drought. Although no new long-term agreement has been signed, the grain shipments continued unaffected by the aid freeze.

Aid for India

Lyndon Johnson is at his best when challenged by some staggering task of human need. His message to Congress—and to the world—calling for aid for India, and pledging a truly generous measure of American assistance, is in the best tradition of Johnsonian philosophy. It is in no sense a detraction from his gesture to add that it is good, sound American policy to help India.

Prime Minister Indira Gandhi, now in New York after her visit to Washington, obviously played a vital role in the timing and scope of the American response to India's need. The meeting in Washington was a moment of international drama. This was not just because Mrs. Gandhi is a charming woman bearing the legendary name of Jawaharlal Nehru, her father, or because Mr. Johnson was at his most ingratiating best. It was because of what each of the main figures represented. India, with 500 million people, is the second most populous nation in the world and a bulwark of democracy in threatened Asia. The United States is the most prosperous and most powerful nation on earth and is engaged in a bitter war on that same Asian mainland.

But India, as Mr. Johnson said in his message, "may stand at this moment on the threshold of a great tragedy." Two years of drought imposed on a badly conceived and managed agricultural program, with the population increasing at the rate of eleven or twelve million persons a year, add up to potential disaster on a colossal scale.

President Johnson's message tells the whole tragic story, and it should be pondered as carefully in India as in the United States. Much of India's land is fertile. With better agricultural techniques India could eventually feed herself.

Droughts are unavoidable, but the human factor is more to blame—ancient, rigid ways; caste restrictions; overly-small or overly-large land holdings; the selfishness of well-fed states refusing to help starving neighbors; hoarders; speculators, usurers.

The great virtues of the Indian people somehow become constricted by customs, traditions and history in times like this. Those virtues must and can be released—and India has already done a great deal in the years of independence. Much more may now be done, thanks to the imaginative, intelligent and generous program President Johnson announced for an Indo-American Foundation which will use \$300 million in tied-up rupees for education and scientific research in India. In the long range, such a program can do wonders; but in the meantime Indians must be fed.

An undernourished nation has no future. Neither has an unskilled one in this technological age. President Johnson is wisely moving to provide the food-stuffs and the training. Indians must do the rest.

Congress Asked to OK \$1 Billion India Food Aid

By STAN CARTER

Washington, March 30 (NEWS Bureau) — President Johnson asked Congress today to endorse an emergency \$1 billion program of food shipments to India. He called on other nations, particularly France, to make similar contributions.

"Unless the world responds, India faces famine," Johnson said in a special message sent to Congress as Prime Minister Indira Gandhi flew to New York after a two-day official visit here.

"I ask that every government seek to supply the maximum it can spare, and then a little more. Food and other materials should be supplied against payment in rupees, which is our practice, or as a gift," he said.

Canada Chips In

Agriculture Secretary Orville Freeman explained that the only countries with large grain surpluses are Canada and France. Canada is preparing to provide India a million tons of wheat and flour. Freeman said there had been no response from France.

Other countries were urged by Johnson to send fertilizer or to provide shipping for carrying food to India.

Johnson said he had the authority to step up food shipments

without going to Congress but that "the size of the contribution is such that they will be in on the landing, and it seems to me better that they also be in on the take-off" of the new program.

He added that there was no urgent deadline for Congressional action.

A severe drought has caused a shortage of food grains this year estimated by the Indian government at 17 million tons. Freeman said the Indians felt that, by tightening their belts and eating a little less, they could get by with imports of about 12 million tons.

So far this fiscal year Johnson had allotted 6.5 million tons of grain for shipment to India in the food-for-peace program. In his message he proposed that the U.S. send another 3.5 million tons in this calendar year, and that other countries be invited "to match the amount which we will supply."

PRESIDENT ASKS BILLION FOR INDIA AS FAMINE RELIEF

Urges All Nations to Help
Match Program, Whatever
Their 'Political Faiths'

CONGRESS MOVE SOUGHT

Johnson Notes Magnitude
and Concept in Request
for Specific Approval

By FELIX BELAIR Jr.
Special to The New York Times

WASHINGTON, March 30 — President Johnson sought Congressional endorsement today for a \$1-billion emergency famine relief program for India and asked all other nations, whatever their "political faiths," to match the American efforts.

The President's appeal was dispatched to the House and Senate as Prime Minister Indira Gandhi was flying to New York City on her way to New Delhi after two days of top-level discussions here. She took with her the President's assurance of an early resumption of United States aid for India's economic development as well as emergency food aid.

The largest item in the \$1-billion relief package was 3.5 million tons of food grains, mostly wheat, to be delivered during the current calendar year and paid for in rupees. In addition, 200,000 tons of corn would be provided on the same basis along with two million to four million pounds of tobacco and 325,000 to 700,000 bales of cotton.

Milk to Be Donated

To supplement the diet of India's children, Mr. Johnson proposed to include in the relief package 125 million pounds of milk powder and 150 million pounds of vegetable oils. Although his message was silent on the point it is planned to donate the milk and vegetable oils under the disaster relief section of the Food for Peace program.

In his message the President noted that cotton and tobacco were in "relative abundance" here. Sale of these commodities for local currency would permit the release of India's own foreign exchange for purchase of much needed food and fertilizer, he said.

Although he has ample authority for the commodity shipments under the Food for Peace Program, Mr. Johnson said he was asking for specific Congressional approval because of the magnitudes involved as well as the concept.

"I am asking the Congress and the American people to join with me in an appeal to the conscience of all nations that can render help," the President said. "If we all rally to this task, the suffering can be limited. A sister democracy will not suffer the terrible strains which famine imposes on free government."

Canada Move Noted

He was delighted to be informed, Mr. Johnson said, that "Canada is prepared to provide a million tons of wheat and flour to India."

After calling on agriculturally advanced countries to "make a substantial contribution" toward matching the United States effort, the President added:

"I ask that every government seek to supply the maximum it can spare—and then a little more. I ask those industrial countries which cannot send food to supply a generous equivalent in fertilizer, or in shipping, or in funds for the purchase of these requisites."

Because India's balance of payments is "badly overburdened," the President said, "food and other materials should be supplied against payment in rupees, which is our practice, or as a gift."

It is not in the American nature, Mr. Johnson said, "to drive a hard mathematical bargain where hunger is involved." He said the United States would press for the most energetic and co-passionate action by all countries but that if their response was insufficient, "we will not stand by and watch children starve."

The 3.5 million tons of food grains earmarked in the President's message would be in addition to the 6.5 million tons already scheduled for shipment to India in the current fiscal year at a cost to this Government of \$372-million. Six million tons were shipped in the fiscal year ended last July.

President Johnson made an unexpected appearance at a White House briefing on his message. Secretary of Agriculture Orville L. Freeman, who was conducting the news session, had been asked how soon Congress was expected to act on the proposal but he deferred to his chief.

The President replied that there was no great urgency about adoption of the "sense of Congress" resolution he proposed. He hoped there would be

ample hearings on the question and expected that Congress might want to improve on his proposal.

For a few minutes the President sat in one of the front-row chairs reserved for newsmen. Then, standing to face the group, he explained that despite his already ample authority he had decided to ask for a Congressional endorsement because of the magnitude of his request.

Paraphrases Vandenberg

"And I just thought," he added in a paraphrase of the late Republican Senator Arthur F. Vandenberg of Michigan, "that as long as they [Congress] have to be in on the landing they might as well be in on the take-off."

Mr. Johnson took the floor several times to expand on answers to questions by Secretary Freeman. A newsman observed at one point that several American oil companies had been negotiating with the Indian Government for two years in an effort to build fertilizer factories but without result.

Mr. Freeman explained that considerable progress had been made recently by the Indian Government in removing restrictions on the private enterprise sector of the economy and that a special Cabinet committee had been appointed to expedite necessary clearances for construction of fertilizer plants.

"I expect," the President interjected, "that some people here have been watching this [Mrs. Gandhi's] visit to see what would come out of it."

March 31, 1966

FOOD FOR INDIA

By Tom Lambert
Of The Herald Tribune Staff

WASHINGTON.

President Johnson asked Congress yesterday to endorse promptly emergency shipment this year of 3.8 million tons of food, worth about \$1 billion, to famine-threatened India.

In outlining his request, Mr. Johnson said: "The facts are simple, the implications are grave. India faces an unprecedented drought; unless the world responds, India faces famine."

The President asked other nations to send food also to India—Canada is to ship 1

million tons—but declared: "If their response is insufficient and if we must provide more, we stand by and watch children starve we will do so."

India needs up to 12 million tons of grain imports this year. This country already has agreed to ship 6.5 million tons. The President's request to Congress yesterday was for an additional 3.5 million tons of grain, 200,000 of corn, 75,000 of vegetable oils and 62,500 tons of dried milk to supplement the diets of India's children.

U.S. Offers India 3.5 Million Tons More of Grain

Johnson Seeks Congressional
Backing; Plan Spurs Buying
On Commodities Exchanges

Cost Placed at \$275 Million

A WALL STREET JOURNAL News Roundup

President Johnson offered India an additional 3.5 million tons of grain to help feed, "a good and deserving friend."

The proposal sparked an immediate wave of buying on U.S. commodities exchanges. If the promise is fulfilled in wheat, as expected, the grain plus transportation costs would be worth about \$275 million.

Mr. Johnson's pledge came as Mrs. Indira Gandhi, India's prime minister, left for New York following two days of talks with the President and other top officials in Washington.

He followed up his announcement with a special message to Congress asking for legislative endorsement of his plan. The President already is authorized to extend such assistance under Public Law 480, the Food-for-Peace program. A sense-of-Congress blessing at this juncture, however, could be useful should the White House want to extend more aid to India in the future.

Amount Needed

India, the President said, needs an additional 6 million to 7 million tons of food grains, atop the amount previously committed or expected, to fill its needs through this December.

"I propose the U.S. provide 3.5 million tons of that requirement, with the remaining 3.5 million tons coming from those nations that have either the food to offer or the means to buy the food," the President stated.

The pledge for the U.S. would work out to be more than 130.5 million bushels of wheat. This would be in addition to the 6.5 million tons, or 242.4 million bushels, previously committed by the U.S. for the fiscal year that will end June 30.

Plentiful Reserves

The U.S. has more than enough reserve stocks to meet the latest pledge. According to the most recent Agriculture Department estimates, issued before the President's new Indian pledge, the U.S. will consume about 650 million bushels of wheat in the year ending June 30 and ship abroad an additional 850 million bushels, and still have more than 600 million bushels in its surplus stores.

Much of the grain destined for India undoubtedly will be coming from Government-owned stocks, which have been built up over the years through support programs. But speculators, nonetheless, are betting that the

ever-growing demand for U.S. wheat could herald tightening supplies.

In trading on the Chicago Board of Trade, a contract calling for September delivery jumped 1½ cents, to \$1.57¼ a bushel. Other contracts rose ½ cent or more a bushel. The gains at some times ranged as high as 2 cents a bushel.

Mr. Johnson, in calling for the stepped-up grain shipment, also proposed sending India 150 million pounds of vegetable oils, up to 125 million pounds of milk powder, 325,000 to 700,000 bales of cotton and 2 million to 4 million pounds of tobacco.

Aid for India Needs Prompt Approval

INDIA'S problems are so enormous in size and scope that no conference, even one at the summit, can do more than touch on the most pressing ones.

Thus President Johnson and Indian Prime Minister Indira Gandhi, in two days of talks this week in Washington, properly concentrated on India's critical food shortage and economic troubles.

Mrs. Gandhi did not get all the commitments on U.S. aid that she wanted. Only half of India's grain requirements will be met by American shipments. But Canada has offered to provide wheat and flour, and Johnson has personally invited other nations to match American and Canadian efforts.

The President's relief package for India will cost about \$1 billion — a sizable sum when our government is suddenly being faced with inflationary pressures on our economy.

However, we hope that Congress will give

Johnson's Indian aid proposal prompt approval, once it gets the facts on India's plight from the administration. Also, we hope that U.S. aid for long-range Indian development projects, halted during the Indian-Pakistan conflict last summer, will soon be resumed.

For her part, Mrs. Gandhi asserted that India's current famine and economic woes were only temporary, and that her nation would step up its own efforts at solving urgent problems.

WHILE we may have reservations about the progress India is making, notably in agriculture and birth control, we cannot help but applaud Mrs. Gandhi's brave efforts.

The fate of democracy in Asia is linked to the fate of India. We would much prefer to have a healthy, democratic India serve as a model for other Asian nations than we would a vigorous, totalitarian Red China.

April 1, 1966

Food for India's Population Bomb

American humanitarianism dictates our policy toward starvation conditions in India. We will help feed the hungry people. President Johnson has asked for \$1 billion worth of food grains (paid for in rupees) from the American people and has appealed to other countries to help provide food.

Mrs. Indira Gandhi, the prime minister, has spoken strongly in support of improving food production in India before industrializing. Hopefully, she will impress this policy upon her government and make it effective.

An authority on India and her food problems is Charles E. Lindblom. He writes as follows in "Foreign Affairs" for January, 1966: "In India, food-grain output is the pivot on which economic development swings. The most urgent demand of the population is for more to eat; the most acute problem of economic stability is keeping food-grain prices from rising too sharply as money demand outpaces the supply of food; and the core of development strategy has to be either an increasing provision of food-grains to satisfy new consumer demands in the urban and industrial sectors or deliberate retardation of industrial growth to head off new demands."

Food production has risen by 50 per cent in the past 15 years. Population increase has cut the gain on a per capita basis to only 15 to 20 per cent. The race—people versus food—goes on. A dramatic increase of food or a decrease in the birth rate—or a combination of both—is imperative.

Government policy that makes good seed and fertilizers more difficult to obtain than is necessary need to be changed. Our willingness to help must be met with a willingness to make useful changes in India. Mrs. Gandhi's job will be easier when this is done.

Danger of Upheaval In India Discerned By U.S. Food Team

By FELIX BELAIR JR.

Special to The New York Times

WASHINGTON, March 31—

A survey of India by a team from the American food industry has found a danger of further violence and of a political upheaval arising from frustrated hopes, hunger and pre-election agitation.

The three-man team's findings were presented in a report to the State Department.

The House Agriculture Committee, meanwhile, gave its prompt endorsement today to the famine-prevention program for India outlined by President Johnson in a message to Congress yesterday. The additional food, cotton and tobacco designated in the message would bring to \$1-billion the value of relief commitments to India since July.

A resolution approved by the House group states that "Congress endorses and supports the President's initiative in organizing substantial American participation in an urgent international effort" to help meet India's food emergency and to encourage Indian efforts to improve farm production.

The declaration was scheduled for action on the House floor and for Senate committee consideration Monday.

The report on conditions in India, now making the rounds of Government departments, acknowledged that "most Indians we talked to did not believe that the Indian consumer would react violently." But it added: "However, it is our combined opinion that danger exists in this area and . . . India is now conditioned to change."

The three-member team was headed by Paul S. Willis, chairman of the Food for Peace Council and president-emeritus of the Grocery Manufacturers of America, Inc. The other members were Gordon Bloom, board chairman of the National Association of Food Chains, and Michael J. O'Connor, executive director of the Supermarket Institute.

Their report was submitted to Richard W. Reuter, special assistant to the Secretary of State and director of Food for Peace, who sent the group to look into the privately operated sector of the Indian food industry. It found this inefficient, using obsolete equipment and unable to do much about it because of a Government-operated enterprise.

While the report dealt in the main with food production, processing and distribution facilities, and measures needed for their improvement, it touched incidentally on consumer attitudes and their potential consequences politically.

It spoke of the demand at all social and economic levels for more and better goods and services and noted that production facilities were grossly inadequate.

"This seems to be causing a growing frustration on the part of the consumer which we felt might erupt politically," the report said. "This situation seems to be further stimulated by the current combination of drought and political activities leading up to next year's general election."

The report also noted that many British as well as Indian businessmen were of the view that India was "conservative more by necessity than by custom." It said it was easy to understand that money must be spent with great care in a country where about 73 per cent of the people had average annual incomes of \$500 or less. It added:

"It should be pointed out, however, that with the birth of Indian freedom and the improvement of educational facilities and communication, the country is now oriented to change and, barring a major political revolution, should show continuing progress."

The report dealt only briefly with the food shortage. There was general agreement throughout India, it said, that without American food aid it would be of major proportions.

On the other hand, the team said, "we saw no signs of death by starvation and no one we talked to felt such conditions would actually exist to any appreciable extent."

"The greatest areas of malnutrition are said to be in Kerala and Bengal and in the lowest economic levels in all the major cities, where reduced supplies of food and inflation are felt first," the report added.

This agreed with the estimate given here, by Prime Minister Indira Gandhi that "there is acute scarcity in part of the

country, but no famine or starvation as we understood the term in pre-independence days."

Earlier this month at least 12 persons were killed and scores injured in riots in West Bengal during a general strike related to the Government's handling of rice shortages. In January students in Kerala battled policemen in a protest against cuts in the rice ration.

The Americans found that Indian businessmen, like their counterparts the world over, "constantly complain about Government policy." The main difference, they said, was that in India the complaints seemed more justified.

Specifically mentioned were the recent increases in normal tax rates by five percentage points to 55 per cent, "interminable delays" in the granting of licenses for needed plant expansion, credit restrictions by banks, Government control of foreign exchange and Government competition with private business.

The authors of the report were "appalled at the extent of waste in a country which is suffering a food shortage." Part of every crop is lost to birds and rodents and about 20 per cent of the grain is lost in the milling process. Waste through loss to rodents in storage is said to be heavy.

Chilly Thanks From Mrs. Gandhi

The famine-stricken people of India must be fed, and the U. S., concerned as always with human distress anywhere, has again come to the rescue: this time with President Johnson's prompt pledge of a \$1 billion food-aid package.

Prime Minister Indira Gandhi's response to this extraordinary act of generosity is a bored sniff that it is not enough. She had hardly had the President's promise of aid in her hot little hands when she felt it necessary, in between charming New Yorkers with her manners, to insult us.

Grudgingly, she conceded, in a speech at an Economic Club dinner, that what she is taking back with her from Washington will help. India will be able to struggle through the latest famine "without too much suffering."

But, "on a per capita basis," she complained, India has been short-changed. Compared with the aid

given other countries, India is far down the list.

On a per capita basis? Is Mrs. Gandhi calling the U. S. derelict in its responsibility because of India's unbridled population explosion? Are we to scramble to keep pace, with our aid funds, with India's 1,000,000-a month population increase?

What about India's own responsibility to keep abreast of its people's needs, by such obvious measures, for instance, as going after the hoarders of gold; changing anachronistic laws that permit too large or too small land holdings; getting rid of caste restrictions and other antiques that hamper progress; making the most of the country's agricultural resources?

As one coming here to beg for help—and obtaining it in overflowing measure—the Prime Minister of India has displayed arrogance, ignorance and insensitivity.

April 1, 1966

Giving India a Helping Hand

India's staggering economic and social problems are not a matter of concern for Indians alone. The United States has always recognized this fact, and in his talks with Prime Minister Indira Gandhi this week, President Johnson reaffirmed the U.S. commitment to share in this concern.

Two specific proposals were made by Mr. Johnson:

- Establishing a \$300 million Indo-American educational foundation in India, endowed with U.S.-owned Indian rupees. This soft currency has value only in India. There is no better way to put it to use than by promoting programs in Indian education, science and agriculture.

- Quick congressional authorization to ship another 3.5 million tons of grain to India in coming months. India is currently suffering from one of the worst droughts in modern times. The threat of famine confronts millions. U.S. food shipments won't erase this threat. But the additional grain, properly distributed, could save hundreds of thousands of lives.

Obviously, U.S. food can only be of temporary help to India. The real problem is modernization of Indian agriculture, through application of improved methods and machinery and—most important—by greatly increased use of fertilizers. Only now are plans being drawn in India to increase food production.

These plans are 15 years late, and the Indian government itself must be held largely to blame for the delay.

Since 1951 India has received about \$10 billion in foreign aid, nearly 60% of it from the United States, including about \$3 billion in food shipments. The availability of U.S. food unfortunately came to be taken too much for granted by Indian planners. Agricultural investment was shunned in favor of putting money into industrial development. Agriculture, as a result, has stagnated.

India's food problem is, of course, inseparable from its population problem. Right now that population, increasing by 12 million a year, is zooming toward half a billion. Steps are being taken to encourage birth control. But even under the best of circumstances, and the best cannot be counted on, it will be many years before a tolerable plateau is reached.

President Johnson went to the heart of the matter when he told Mrs. Gandhi that "economic stability and political tranquility depend on how we accomplish the commonplace tasks"—food production, fertilizer supply, family planning, economic growth.

India, as the headlines often remind us, has serious problems on its borders. But its internal problems are of far greater scope—and danger.

April 2, 1966

Feeding the hungry

America is moving massively against one of mankind's oldest and cruelest foes — hunger. President Johnson's proposal that the United States extend a billion dollars' worth of emergency aid to India during the current year is a gigantic but seemingly necessary step in that land's present dire state. We hope that the other fortunate, have-plenty nations around the globe will take up the President's bid to also dig into their wealth and surplus and match America's action.

Although technically these shipments will not be a gift from America, practically this will be the case. India will pay for them in rupees. But, since the United States already has what is apparently an unusable rupee surplus, much of this rupee fund will be used to finance further and other types of on-the-spot American aid to India.

Although the administration believes that it already has stand-by authority to extend this aid to India, it is seeking congressional endorsement. This is right and wise. A billion dollars' worth of extra aid (other aid to India programs already in the works will come to an additional half-

billion dollars or so) clearly calls for congressional understanding and goodwill.

The very size and importance of this American gesture (Canada has also announced that it is sending one million tons of relief grain) underlines many major issues. The first is the need to speed up world efforts to help India solve its own food problem through more efficient farming, greater production of fertilizer, population limitation and the increase in other products which can be exchanged for food.

India's terrible crisis is also a warning to the surplus-food-producing nations that even their present tremendous output may not meet the world's needs only a few years hence.

Again, the decisiveness of the American action stresses, as few other acts could, the oneness of today's world. Asian famine was once sighed over and then forgotten. Today it calls forth immediate and all-out action. This bespeaks not only a sharper conscience but a shrewder political realization that all men's fortunes are now inextricably interwoven. Despite setbacks and shortcomings, the world is a better, kindlier, hopefuller and more Christian place because of such acts as this.

April 3, 1966

A \$1 Billion Message

President Johnson has given India's Prime Minister Indira Gandhi a message of hope to carry home to her famine-stricken land.

The President is asking Congress to endorse a \$1 billion emergency famine relief program for India. This is no small endeavor. The President proposes to ship to India 3,500,000 tons of food grains, mostly wheat. The President also proposes to ship huge tonnages of vegetable oils, cotton, tobacco and milk powder to India. Earlier in Mrs. Gandhi's visit, the President proposed the establishment of an Indian-American foundation to further education in India. This would be financed with \$300,000,000 in Indian currency held by the U.S. in Indian banks.

The President's proposals are of great magnitude even when compared with past U.S. expenditures to aid India. Since that nation gained its independence in 1950, the U.S. has extended more than \$5.88 billion in direct aid and loans and credits. Yet as recently as last December, the same United States leader who is now making such generous proposals was being reviled in the Indian press. The Times of India, probably the most respected journal in that nation, said the U.S. presidency "is being likened to a monarchy" by President Johnson. And a columnist in the influential newspaper, the Statesman, called the President a "capricious autocrat" who "has been outrageously crude in his handling of India."

Such was the comment in a nation that had received the benefit of billions of dollars in U.S. assistance. The pique in the Indian press was caused by the President's slowness in restoring full economic aid to India after the September conflict with Pakistan in Kashmir.

Such an attitude is reminiscent of the statement made by the head of another nation that had been reaping vast amounts of U.S. aid. That nation was Indonesia, which had been receiving \$100,000,000 annually. Who can forget President Sukarno's March 1964 message to the U.S.? Said Sukarno: "To hell with your aid."

President Johnson, however, has chosen to ignore the calumny so recently vented on him by the Indian press. He has chosen to do this in the name of humanity and because, with all its problems, there is hope for India. There is hope that overpopulated, sect ridden, famine-plagued India may someday become an economically viable nation.

India's population, despite the activity of the government's 18,000 birth control centers, is expected to increase this year by 11,000,000 persons, bringing the total population near the 500,000,000 level. How many of these millions will know of the extent of U.S. aid to their nation? How many who will be saved from starvation by U.S. food will realize the source of the saving grain?

This aid is not being forced upon India. The starving masses desperately need help, and the Indian leadership has turned to the U.S. as the only nation in the world capable of rendering such vast assistance. We are happy to help, but how long will India's leaders remember our aid? Will India stand by us in the battle against Communist dictatorships as we are standing by India now? It seems only fair to expect those befriended by us to be equally friendly toward us.

The President, acting on behalf of all Americans, has heard the plea of the Indian prime minister and is opening our granaries to a starving people. Surely, the Congress, as it votes its approval, would like to hear voices of support from all of the other Indian leaders. Their action would minimize the inevitable anti-American protests and we would know that our \$1 billion message had reached all Indians. For our message is not merely concerned with talk of immensities of grain and oils and milk powder; it is concerned with the value of the economic system that produced such riches. If we are to spread the wealth, let us also spread the word.

Friday, April 1, 1966

FOOD AID FOR INDIA IS VOTED BY HOUSE

Rusk and Freeman Called to
Senate Hearing Today

By FELIX BELAIR

Special to The New York Times

WASHINGTON, April 4—
The House voted approval today of President Johnson's emergency food relief program for India.

The action came on a voice vote after Speaker John W. McCormack urged adoption of the endorsement resolution as a demonstration of "the effectiveness of the democratic form of government and the understanding and goodwill of the American people toward the people of India in this period of distress."

The Senate Agriculture Committee promptly scheduled a hearing on the joint resolution tomorrow. It summoned Secretary of State Dean Rusk and Secretary of Agriculture Orville E. Freeman to explain the program and answer questions.

The relief package includes 3.5 tons of wheat and a promise of more to come if other advanced nations fail to match the United States contribution. It would also make available smaller quantities of corn, vegetable oil, nonfat dry milk, cotton and tobacco.

In the 40 minutes of perfunctory debate that preceded the vote it was brought out that all relief supplies except the milk powder would be paid for in Indian rupees. None of the money will come to this country, but some 20 per cent will be reserved for United States Government administrative expense in India. The balance will be returned eventually to the Indian government for financing its agricultural development.

President's Action Lauded

The Administration initially put a \$1-billion price tag on the President's emergency allotment but explained later that this figure included also three million tons of wheat and other commodities earmarked since last July 1. In reporting the measure to the floor the House Agriculture Committee placed the value of the new supplies at \$500-million.

Speaker McCormack told the House that while there was already ample authority for the emergency shipments to India, "I think the President showed excellent judgment in asking Congressional approval, because this shows the unity between the executive and legislative branches in discharging our responsibilities to the rest of the world."

In requesting adoption of the joint resolution the Massachusetts Democrat said the President also had dramatized his appeal to other nations to match the American response. Mr. Johnson suggested in a special message last week that other countries contribute food or the money to buy it or the shipping to transport it.

April 5, 1966

AN UNGRATEFUL SUPPLICANT

After recent White House talks with Prime Minister Mrs. Indira Gandhi, President Johnson promptly pledged a new billion dollar food aid program for India to avert possible widespread famine in that country. Between now and next December the United States will ship 3.5 million tons of grain, mostly wheat, to India in addition to the 6.5 million tons allotted to the Indians thus far in fiscal 1966. This grain will be paid for in rupees, which the United States will spend in India, mostly for economic development projects; so it becomes a virtual gift.

By the end of this year the United States will have supplied about 10 billion dollars of various kinds of aid to India since the end of British rule in 1947, about 60 per cent of it in economic development assistance.

For obvious humanitarian reasons the United States should do all it can to help feed the starving millions of India. Nevertheless, it comes with little grace for Mrs. Gandhi to undertake to criticize United States policy in the Viet Nam war, and at that even before she left our shores. Yet she did so on a television program a few days after her talk with the President.

The United States, said the Indian prime minister, should have extended the recent pause in bombings of North Viet Nam. The Indian government, she said, was "very distressed and concerned" that it did not do so. Moreover, she indicated disapproval of the American policy of increasing military pressure against the North Vietnamese Communists who are killing American soldiers, on grounds that such pressure might force the North Vietnamese into closer cooperation with Red China.

Mrs. Gandhi did thank the United States for its food shipments, then went on to suggest that we would benefit more from an India which remains "independent thinking" than if her country came to be regarded as a "satellite or as a follower" of the United States.

The prime minister seems to have the same kind of political myopia as her father, the late Jawaharlal Nehru. Nobody in this country has ever suggested that India should become a "satellite" of the United States, but we can suggest that the Indian economy might benefit if that country would discard its socialist theories and pattern its economy after our private enterprise system, especially in regard to food production.

For several years the United States has been sending agricultural experts to India to try to show the Indians better farming methods so they can do a better job of feeding themselves. These technicians return with stories of frustration that while India has been spending vast sums to build steel mills, such things as farm machinery and fertilizer plants, along with the distribution and marketing systems which are needed to support a modern agriculture, have been sadly neglected.

Inasmuch as the Indian prime minister is so ready to offer advice to this country, she might find it helpful to accept some advice in return.

Senate Panel Speeds Action on Food Aid to India

Special to The New York Times

WASHINGTON, April 5—The Senate Agriculture Committee moved with such speed today in approving President Johnson's food relief program for India that two Cabinet officers and a roomful of spectators were unaware of its decision.

Secretary of State Dean Rusk and Secretary of Agriculture Orville E. Freeman had been answering Senators' questions for about half an hour when the ranking minority member, George D. Aiken of Vermont, stood up to address Allen J. Ellender, Democrat of Louisiana, the committee chairman.

Speaking in a low voice, Mr. Aiken explained that he had to leave the meeting to keep an appointment with a doctor about a back ailment. He said that before leaving he wanted to move that the House-passed resolution endorsing the President's program be favorably reported to the Senate.

Mr. Ellender murmured the familiar parliamentary verdict, "Without objection it is so ordered." He added, "If there are no further questions . . ." but several committee members had not yet interrogated the Cabinet officials and the hearing continued as though no action had been taken.

In response to questions from

George McGovern, Democrat of South Dakota, Mr. Freeman explained that the President's action in allotting an additional 3.5 million tons of wheat to India had "dampened the inflationary pressures on food prices in India."

Mr. Rusk interrupted the questioning to say he wanted to emphasize that it was "the expectation of prompt action on the president's request for a Congressional endorsement that provided the anti-inflationary effect."

The President has authority under the Food for Peace program to make the allocations to India without reference to Congress. The President, how-

ever, said he was seeking approval because of the magnitude of the relief package and the desire to get other countries to match the United States effort.

Mr. Rusk reported that the Government had appealed to 113 nations directly and through international organizations to aid India. He said that 23 had already pledged \$150-million in food contributions toward matching the United States \$500-million package and that he was encouraged to believe it would be equaled before long.

Senator Ellender plans to bring the resolution to the Senate floor for passage tomorrow.

Professors in India Opposing Johnson's Foundation Project

By J. ANTHONY LUKAS
Special to The New York Times

NEW DELHI, April 6—Fifty-four faculty members of Delhi University voiced today "most serious misgivings" about President Johnson's proposal for an Indian-American foundation.

In a statement, the deans, professors and lecturers said they strongly objected to the proposal because it would "imply the intimate involvement" of a foreign government in matters affecting India's educational policy.

Such a foreign involvement, the statement said, would "inevitably undermine in the long run the system of values we cherish."

The statement suggested that instead of setting up a foundation, the United States should give the money directly to the Indian Ministry of Education, which could then spend it "in accordance with priori-

ties already established in the field of education."

Among those who signed the statement were R. K. Dasgupta, dean of the university's faculty of arts; K. N. Raj, dean of the faculty of social sciences; M. N. Srinivas, head of the department of sociology, and other leading professors at the university, one of the country's largest and most prominent educational institutions.

The Indian-American foundation was formally proposed by President Johnson March 28 during a toast at a dinner at the White House for India's Prime Minister, Mrs. Indira Gandhi.

He suggested that the foundation be endowed with \$300-million in Indian rupees owned by the United States. The rupees are among those accumulated by the United States through the sale of food under the Food for Peace program.

The President proposed that the foundation, which would

be governed by a board composed of distinguished Indians and Americans, should "promote progress in all fields of learning."

Mrs. Gandhi welcomed the proposal and specialists of both countries are expected to begin working out details soon.

The idea is by no means a new one here. Ambassador Chester Bowles and other Americans have long advocated such a foundation as one of the best means of putting Washington's vast rupee holdings to good use.

However, the suggestion has been vigorously criticized by India's Communist party.

Bhupesh Gupta, the Communist leader in the lower house

of Parliament, charged yesterday that the project would "throw open the door to American interference in our education." He said the suggestion was "derogatory to the national honor."

Answering for the Government today, M. C. Chagla, Minister of Education, denied that the foundation would "inject the American way of life" into India. He said it would give a great impetus to research and education.

Professor Dasgupta said tonight that he did not share the Communist party's feelings about American intentions in the project.

"I and, I should think, most

of my colleagues are not ascribing any evil motives to the United States," he declared in an interview. "Many of us have good reasons to be very grateful to the United States for research grants or fellowships in the past."

"What bothers us is not American money or expertise. After all, the Ford and Rockefeller Foundations have been very helpful here."

"What bothers us is the idea of direct official American Government involvement. If American officials control the disbursement of these huge amounts of money, then they also will inevitably influence educational policy."

Food for India and Thought

VIEWED strictly through the spectacles of humanitarianism, President Johnson's promise of more wheat for India appears to be the least the best-fed country in the world could do for the world's hungriest.

We can see what a heartless and cruel thing it would be to stand by and let India's hungry millions slowly starve.

Viewed through the glasses of realism, however, we see something different. We see almost one-third of our wheat production already going to India and we see our once great stockpile of surplus shrinking to a size which some economists doubt would be enough to provide for our own needs in a national emergency.

Additionally, we see India's population outpacing its food production, thus compounding the problem which we are trying to alleviate.

Is there a better solution than pouring wheat into a bottomless barrel? The experts say there is. They say needy countries, such as India, must lower their birth rate and raise the level of their food production. That, they insist, would bring about a balance and solve the problem of supply and demand. That may be an oversimplification, but it looks good through the glasses of both humanitarianism and realism. It also suggests a crash program to replace the feeble steps already being taken in that direction.

Planning for Poverty

Some of the things wrong with U.S. foreign aid are illustrated in the big special assistance program for India which Congress endorsed last week.

Granted, the \$500-million food package is designed to meet an emergency; India faces famine, and no one is going to criticize the aid on that score. What should nonetheless be noted, in fairness both to the Indian recipients and the American benefactors, is that the U.S. has already poured \$6.5 billion into that nation—without getting it on its feet or even in a position to avert widespread starvation.

To keep on endlessly injecting money without grappling with the fundamental problems spells waste on the part of the U.S. and little real help to India. And the same observation applies in other underdeveloped lands where U.S. aid is not doing the kind of job it should and could be doing.

It would unquestionably be difficult to pull India out of its poverty in the best of circumstances. The hand of nature itself sometimes seems against it, as population growth continues to devour any economic advance. The present emergency, moreover, results in part from ruinous droughts.

Only in part, however. The incredibly bad planning of the socialist government has also made a major contribution. Instead of doing everything possible to modernize agriculture and increase food production, Indian planners chose to put heavy investments in heavy industry. Lately they have come to realize that more attention must be paid to agriculture, but the awakening has come very late indeed, too late to stave off famine.

In these conditions the U.S. aid inevitably has been largely ineffective. You could say, in current Washington jargon, it's even been counterproductive to the extent it has simplified the political lot of the Indian government and thus reduced any incentive to adopt sensible economic policies. Specifically in the case of agriculture, the easy importation of vast quantities of food could not be expected to spur the modernization of Indian farms.

American assistance has, in addition, encouraged the socialist planners to hang on to their smothering network of controls which, among other drawbacks, acts as a deterrent to foreign private capital. Prime Minister Indira Gandhi rightly stressed, on her visit here, the urgent need for such capital; economists say that, in particular, private investment directed to farm-connected industries could help overcome the agricultural crisis.

Although plenty of U.S. and other private outside funds are invested in India, the socialist-created obstacles to drawing substantial new money are formidable. In the words of one American executive there, quoted by Mr. Sklarewitz in this newspaper recently, "The harassing tactics of the Indian government have to be seen to be believed."

Controls cover innumerable aspects of output and marketing, and the pace of the socialist bureaucracy is described as maddeningly slow. For just one example, the manager of a U.S.-owned plant found it took 10 months from the day he applied for an import license until he could take delivery of a high-speed press. At the same time private enterprisers are plagued by materials shortages and rising costs that squeeze profits.

Now we do not imagine that U.S. Government aid alone could be used as an instrument to bring these planners to their senses, in India or other backward nations where the leadership exhibits such an unwarranted passion for socialism. The point is that the enormous sums the U.S. is dispensing are apparently not even used to try to prod the underdeveloped areas toward policies that would be in their own best interests.

In the past couple of years there has been a lot of talk about writing tougher ground rules for foreign aid, and doubtless some progress has been made. But the story of aid to starving India is an unhappy reminder of how much time and money have been lost and how much poverty of thought remains.

Food crisis**India
enlists
advisers**

By Sharokh Sabavala
Special correspondent of
The Christian Science Monitor

New Delhi

India's very freedom may depend on the performance of this year's food crops.

That is what Prime Minister Indira Gandhi has told her country during a meeting of the chief ministers and food ministers for all the Indian states.

Her concern has been turned into action. A party of Indian planners and economic advisers under Minister for Planning Asoka Mehta leaves for Washington April 17 for talks with the World Bank, the International Monetary Fund, and the United States Agency for International Development for help with India's Fourth Plan requirements.

Target set

And for the first time in Indian history, the federal government will sign agreements with each Indian state "clearly identifying the fields of responsibility for each."

The chief ministers, studying input availability, have decided the food-production target for 1966-67 should be 95 million tons. Drought this past year cut it down to 80 million tons. An additional 6 million acres of land are also to be brought under high-yielding varieties of rice, wheat, maize, and sorghum.

The Indian Government in each state is helping set up one large seed farm of between 5,000 and 10,000 acres. It will also provide fertilizers, pesticides, and credit.

Concessions backed

Kerala, Punjab, and Madhya Pradesh will lead in intensive cultivation programs.

Mrs. Gandhi's government has also affirmed that it stands by concessions granted to the fertilizer industry on prices and marketing. These are aimed to bring the price of fertilizer down to 100 rupees [\$21] per ton. According to Petroleum and Chemicals Minister O. V. Alagesan, the government expects indigenous fertilizer output to cross the million-ton mark by next year. Critics inside his own party have described the new policy as a "sell out" to foreign enterprise. Mr. Alagesan describes it as a landmark in development which will help the country develop its own processes "as it is doing in steel and oil."

Newspaper comment, usually skeptical, now has begun grudgingly admitting that "new realism seems at last to be dawning on the food front." If it does, much of the credit will go to President Johnson, not for his hard talking but "for his gestures of sympathy and support" which have stirred alike Prime Minister and peasant.

Discipline stressed

However the press comment points to the need for utmost discipline. Federal and state administrations will have to work as a single team. This they have not been doing. In this election year, the ruling party will have to resist the temptation to strike empty poses. It is now abundantly clear that the opposition, led by the Communists, is interested only in disorder, violence, and disruption of production and communications. It is Mrs. Gandhi's belief that if her party sticks to its work programs, the people will rally more on the side of law and order.

Meanwhile meteorologists are scanning for signs of the next monsoon. In another month it should be approaching Ceylon. On the strength of its moisture-laden winds seems to depend almost more than one likes to think about.

SHOWDOWN ON INDIA AID DRAWS NEAR

Planning Minister Off To U.S. For Talks On Massive Help

By JAMES S. KEAT
[New Delhi Bureau of The Sun]

New Delhi, April 17—India's Planning Minister, Asoka Mehta, left Bombay for Washington tonight for showdown negotiations over resumption of large-scale economic aid.

Mehta carries with him a \$45,000,000,000 economic development plan for the coming five years, which calls for \$8,400,000,000 in Western economic aid. This represents a sharp increase over the \$5,000,000,000 that India has received from the West in the last five years.

More important, however, than the amount of aid India is seeking are the terms under which it will be offered. The outcome of these negotiations can have profound effects on India's economic development and its relations with the West, particularly the United States.

Relations Sensitive

Mehta arrives in Washington Tuesday at a delicate point in Indo-American relations. The pleasure and relief over the effusive reception given Prime Minister Indira Gandhi three weeks ago are now mixed with disappointment that American economic aid has not been resumed.

Although nothing is being said publicly, many officials here are unhappy that there has been little material response so far to India's critical need for assistance.

Some action was anticipated from the meeting two weeks ago of the ten Western nations that jointly contribute to India's economic development program, but none was forthcoming as far as is known here.

Freeze Still Holds

Officials here are also concerned about the word from Washington that aid already pledged but withheld after the freeze imposed last September during the Indo-Pakistani conflict will not be released.

Mehta is nonetheless expected to reopen the question of the old aid pledges despite indications that the United States Government intends to start with a clean slate on the ground that the Indian and American fiscal years for which it was promised are now over, or almost so.

Thus far, senior Indian officials profess not to be unduly concerned over reports from Washington of stricter conditions that will be imposed, not only by the United States but also by the ten-nation aid consortium.

Call For Reforms Due

According to these reports, the World Bank, which presides over the 8-year-old consortium, will demand sweeping economic reforms as a condition for continued large-scale assistance.

This role is understood to have been assigned to the bank, an international institution, by President Johnson, at least as far as renewed American aid is concerned.

The bank is understood to be insisting on a larger role for private enterprise, foreign and domestic, and a relaxation of the

tight controls that New Delhi maintains over industry.

Because the bank's recommendations are secret, there is considerable disagreement over the nature of the reforms being urged. Indian officials deny some recommendations that other responsible sources insist have been made.

There is general agreement on one feature of the bank's proposals, a liberalization of controls on essential imports so that Indian industry can produce somewhere near its capacity.

Capacity Reduced

Because of the foreign exchange shortage, considerably aggravated by the cut-off of American aid, Indian factories are believed to be operating at roughly half their capacity, with some key industries working to only a third of their ability.

India is widdling, even eager, to relax its import controls if it can find the additional hard currency to pay for the goods it badly needs. Officials here place a \$1,500,000,000 price tag on the liberalization, accounting in part for the sharply increased aid request.

But even here there appears to be considerable scope for disagreement. While some economists are urging New Delhi to give free

rein to imports of raw materials and spare parts for key industries, officials here are opposed to that much relaxation.

They argue that the Government must keep a check on such imports to make sure they do not undermine a program of encouraging domestic production of essential goods in order to relieve pressure on meager currency reserves.

However, the Government is willing to permit companies engaged in essential production a great deal more leeway than before. Most would be allowed flexibility to import as they liked from a list of approved items to a certain limit.

But officials here believe they cannot penalize companies that have taken steps to reduce their dependence on foreign machinery or raw materials by allowing their competitors free rein in importing from abroad.

Not until more of Indian industry is able to stand on its own resources will the economy be sound, these officials argue.

Shortages Constant

India will always be short of some raw materials, for example, and domestic industry must be prodded to find substitutes as long as it has insufficient export earnings to pay for them, they contend.

The Government is also willing to relax its controls over the opening of new factories, but probably not to the extent urged by some foreign economists.

Many officials concede that the industrial licensing procedure is cumbersome and discourages potential investors. They add, however, that Indian capital historically flows into high profit investments that are not necessarily the most productive for the economy.

April 20, 1966

'Others in Need': Johnson Signs Food for India Bill

By David Wise
Washington Bureau Chief

WASHINGTON.

President Johnson, declaring that Americans have always responded "when others were in need," yesterday signed a joint resolution of Congress endorsing his famine relief program for India.

The Congressional resolution backed Mr. Johnson's announced intention of sending 3.5 million tons of food grain and other commodities worth \$500 to the drought-stricken Asian nation. The President had pledged the food relief assistance during the visit here last month of India's Prime Minister, Mrs. Indira Gandhi.

The President warned in a statement issued at the bill-signing ceremony in his Oval Office that "in the end, only by its own efforts can the people of India be fed." He also expressed confidence that the fast Congressional action would spur other nations to help India.

"I am confident from my talks with Prime Minister Gandhi," he said, "that the Indian government will use the time gained by our assistance—and that of others—to mount a determined and effective policy to raise India's own agricultural production." The U. S. has been pressing India for agricultural reforms as the price of long-term aid commitments.

The U. S. had intended to contribute roughly \$500 million in wheat to India over an 18-month period. The new emergency program will about double the American contribution to \$1 billion, officials said. Mr. Johnson could have acted without the joint reso-

lution, but asked Congress for its support in a message on March 30.

At that time, he called on other nations to match the U. S. shipment of 3.5 million tons of food grains.

JOHNSON APPEALS FOR AID TO INDIA

Asks Other Nations to Send
Food to Subcontinent

By JOHN W. FINNEY

Special to The New York Times

WASHINGTON, April 19—President Johnson appealed to other nations today to respond with "compassion and responsibility" in meeting the emergency food needs of drought-stricken India.

"At stake," he said, "is the salvation of countless families and, in particular, millions of children; a great nation's future citizens."

The President issued the appeal in signing a joint Congressional resolution endorsing the Administration's plans for up to \$1-billion in famine relief aid for India. The plans call for shipping at least 3.5 million tons of food grains, principally wheat, to India this year, as well as large amounts of corn, tobacco, cotton, powdered milk and vegetable oils.

In entering into this commitment following the visit of Mrs. Indira Gandhi, India's Prime Minister, here last month, the Administration expressed the hope that the American wheat contributions would be matched by other nations. Thus far the foreign response has been slow, which explains the emphasis placed in the Presidential statement on the need for an internationally supported famine relief program.

Congress Is Commended

In commending Congress for acting with "dispatch, statesmanship and humanity," Mr. Johnson expressed the hope that the Congressional action "will encourage the Governments of other nations to help bridge the gap left in India by this great natural disaster."

Some nations, such as Canada, which recently offered one million pounds of wheat and flour to India, have already responded on a substantial scale, the President noted, and others, with limited resources of their own, have, nevertheless, reached out generously to help.

"We hope that all nations will pause now and ask themselves: What more can we do?" the President said.

"None of us can rest easy until we know in our hearts that we have done everything that is possible to protect" Indian families and children "from malnutrition, hunger and even from starvation itself," he said.

In times past, the President observed, "famine in one nation was regarded as a fact to be passively accepted." Now, he said, "however imperfect our organization, we must learn to behave like a world community."

INDIA FAMINE PLAN SIGNED

Congress Gives Billion;
President Makes It Law

By MURIEL DOBBIN

[Washington Bureau of The Sun]

Washington, April 19—President Johnson today received congressional approval of his \$1,000,000,000 anti-famine program for India and appealed to other nations to offer help.

"At stake is the salvation of countless families and, in particular, millions of children—a great nation's future citizens," reminded the President.

"We must learn to behave like a world community," he asserted, pointing out that modern communications "have brought nations closer than our own states were, not so long ago."

Ambassador Present

Indian Ambassador B. K. Nermu was present at the ceremony in Mr. Johnson's office when he signed the joint congressional resolution supporting the White House proposal regarding American participation in relieving victims of hunger in India and enhancing the Indian capacity to meet its people's nutritional needs.

Last month, the President asked Congress to indorse a proposal, which he already had legal authority to implement, for the anti-famine program.

He also called on other nations to match with food or money a new allotment of 3,500,000 tons of food grains designed to maintain American food shipments to India.

6,500 Tons Already Committed

This was to be added to 6,500 tons already committed for shipment since last July.

Mr. Johnson today said that, through the joint resolution, Congress has acted "with dispatch, statesmanship and humanity."

"It supports my recent offer to enlarge our food shipments to the people of India to help them avoid the suffering that would otherwise result from the worst drought in a century," he declared.

The Chief Executive noted that American assistance has already looked beyond the present drought to enlarging the next harvest and emphasized that the assistance of "many governments, international organizations and private industry" will be required in "this essential long-run effort."

More Aid to India

IN signing a congressional resolution this week approving a \$500 million emergency food relief plan for India, President Johnson has once again called on American taxpayers to aid the hungry hordes in that country.

And the only hopeful note in the call is that the President also urged all nations to do what they can to help head off widespread famine there.

The American aid will be largely in the form of wheat—3.5 million tons—and what is not hopeful about it is that the United States has already poured similar aid into India without getting it on self-sustaining feet and in position to avert threatened famine.

In 1965, according to U. S. News & World Report, U. S. aid to India amounted to around \$700 million, about half of which was in food. The rest was in raw materials, machinery, irrigation projects and so forth.

Additionally, it is estimated that about one-fourth of the grain that Americans pay

for and ship to India is eaten by that country's swarms of rats. The loss to rats could run to \$175 million of American aid this year alone.

Moreover, and this is significant, if the United States supplies all of its commitment to India, the stocks of wheat it normally carries over from one year to the next will be reduced by about 200 million bushels. Actually, according to Secretary of Agriculture Orville Freeman, the carry-over will amount to only 600 million bushels, with the U. S. no longer in possession of a wheat surplus.

It is not easy to criticize a program that prevents widespread starvation in a friendly nation—even a "nonaligned" nation like India. But we must also face up to fact, and the fact is that our own cupboard is in danger of becoming bare if such aid is continued indefinitely. The great hope is that other nations will respond to the President's call and that India, through stepped-up food production and birth control, will soon be able to care for its own.

April 21, 1966

Aid shaped for India, Pakistan

By David K. Willis

Staff correspondent of
The Christian Science Monitor

Washington

The 600 million people of India and Pakistan are about to receive renewed and massive flows of aid from World Bank donors headed by the United States.

The basic decision to give the aid has been taken; now details are being hammered out.

These are momentous days for the subcontinent, so recently wracked by war. New national budgets are upcoming in June; both governments have been appealing strongly for help ever since the Kashmir fighting ended.

Appeals have been urgently voiced in Washington this week by key Cabinet ministers from both sides. Ashoka Mehta, India's Minister of Planning, arrived Sunday for a round of talks with World Bank and State Department officials.

Aid, but how much?

He found Pakistan's Finance Minister, Mohammad Shoaib, already here, busy doing exactly the same thing.

The hum of decision is in the air. Officials tell this newspaper that, although India and Pakistan will be helped, they probably will not receive as much as they would like.

It is known that Mr. Mehta is asking the World Bank for about \$1.7 billion a year for the next five years. The average for the last five years was \$1.1 billion.

Opinion in Washington, led by President Johnson, is that subcontinent affairs have improved greatly since the dark days of the fighting. Even though the Tashkent agreement is somewhat frayed around the edges, it still has value as a symbol of better things.

Yet both India and Pakistan have been told, bluntly, to get a move on and begin more self-help measures. Both have agreed.

Both are wrestling with war-dislocated economies; both face enormous challenges. Without the new aid, both would be in even deeper waters.

India's current five-year plan began this month. Pakistan's is in its final year.

The fighting caused Washington to postpone all new economic and military aid to both sides. Selected, "nonlethal" (nonstrategic) military aid has been resumed; Vice-President Hubert H. Humphrey used his Asian tour earlier this year to announce new loans of \$50 million to Pakistan and \$100 million to India; Mr. Johnson is shipping out millions of tons of wheat to offset Indian famine conditions.

But the World Bank has held back on its new commitments to both nations—mainly because Washington, which provides more than half the consortium funds, was still watching and assessing conditions.

Affront from Pakistan

Now Washington has decided to push ahead. Other World Bank consortium nations have agreed. The Indian consortium consists of Austria, Belgium, Canada, West Germany, France, Italy, Japan, the Netherlands, and the United Kingdom, as well as the United States. The Pakistan consortium is the same group, minus Austria.

In fact, all members of the Indian consortium—which in 1964-65 pledged \$1,028 million—have agreed to make bilateral loans since the fighting late last year.

Not everything in the subcontinent shines with promise, however. Many officials and members of Congress have been affronted by Pakistani Foreign Minister Z. A. Bhutto's

recent protestations of friendship toward Peking.

The recent visit to Pakistan of Chinese Communist Government Chairman, Liu Shao-ch'i, did not win Pakistan any new friends here.

Yet Pakistan has a claim on new American aid for several reasons. For years it has been hailed as a showcase: how an energetic people could improve themselves by using aid wisely.

Again, the Pentagon has invested more than \$1 billion in Pakistan's military establishment.

Predictably, Pentagon officials now are exerting heavy pressure in Washington for new aid to maintain all this equipment. Pakistan, of course, agrees.

India, also, cannot be ignored.

Yet underlying the Washington readiness to proffer aid once more—working through the World Bank, as officials here are doing more and more—is a hard streak of realism.

Never again, Mr. Johnson vows, will the United States finance a war between India and Pakistan. The spectacle of both sides throwing American weapons against each other had a profound impact here.

In years past, conditions tied to American aid aimed at preventing such conflict, but they were vague. It is not yet known whether new ones will be written into the World Bank agreements. Washington, it is expected, will insist on some form of guarantees.

INDIA TO SEEK FUND CONTROL

Wants 2 Top Posts In U.S.
Education Foundation

By JAMES S. KEAT

(New Delhi Bureau of The Sun)

New Delhi, May 2—The Indian Government will seek administrative control of the proposed, American financed education foundation, an authoritative source said today.

Although it has already agreed in principle to sharing the two highest posts in the foundation between an Indian and an American, New Delhi now wants both men to be Indians, the source said.

The change, which has not yet been presented formally to the United States Government, will be urged as the best means of stilling criticism of the projected foundation from some educators and politicians.

Change Ordered

B. K. Nehru, Indian Ambassador in Washington, has been instructed to urge this change when negotiations are resumed over creation of the foundation, announced by President Johnson a month ago when Prime Minister Indira Gandhi visited the United States.

The foundation will be financed by \$300,000,000 of blocked rupees held by the United States here from the sales of surplus agricultural commodities under the Food for Peace program.

The sharing of control over the foundation's grants equally between Americans and Indians has drawn fire on the ground it would give foreigners too large a voice in education here.

One suggestion, that the half-American, half-Indian board of trustees be limited to an advisory role, has not been adopted by the Indian Government.

Both Indians

Instead, New Delhi has decided to ask that the chairman of the governing board and the chief executive officer both be Indians. Under the year-old preliminary agreement, which was not disclosed at the time, one would be an Indian and the other an American.

While it is understood the Americans, in Washington's view, would be private educators free of Government influence, New Delhi plans to select representatives who would be responsive to its wishes.

Another proposal which New Delhi intends to advance is a limit on the sort of projects the foundation would support. Initially, at least, it would be restricted to areas described as scientific and technical, eliminating the humanities and social sciences, from which most of the academic criticism has come.

Within these limits the Indian Government — and particularly Mrs. Gandhi — intends to push ahead with the establishment of the foundation, which has become something of a hot political issue here.

Mrs. Gandhi sees the left-wing attack on the foundation, together with the criticism of inducements to foreign investment in fertilizer plants and of her seeking increased Western economic aid, as a challenge to her political leadership which she must meet head on.

One senior Indian official who is directly concerned with the negotiations believes that the reservation of both top foundation posts for Indians will not cause much difficulty with Washington.

Other sources close to the negotiations are not so sure.

The draft agreement, which has not been made public, was reached a year ago. The plan would presumably have been announced last June, when the late Prime Minister Lal Bahadur Shastri was to have visited Washington.

After Shastri's visit was abruptly postponed by Mr. Johnson, the proposal lay dormant. It was revived in anticipation of Mrs. Gandhi's visit in March, or perhaps for the Shastri visit scheduled for last February, aborted because of his death three weeks earlier.

New Delhi welcomes the foundation proposal, not just for the contributions it might make to education or research here, but as a means of tying up the large hoard of rupees accumulated here by the United States.

While the bulk of the rupees earned by sale of surplus commodities for local currency is loaned back for economic development projects, the United States retains about 13 per cent for its own expenses here.

Others Not Sure

But the sales of surplus food have risen so high that even this small share is far more than the United States Embassy and other agencies here need for their local expenses.

Meanwhile, Dr. Donald Hornig, the President's science adviser, and a team from the National Science Foundation began a three-day round of talks with Indian educators on cooperation in scientific and technological education.

May 6, 1966

Wheat Acreage Allotments Lifted Sharply As Exports, Largely to India, Drain Stocks

By BURT SCHORR

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — Agriculture Secretary Freeman, with an unusual assist from President Johnson, handed U.S. wheat farmers the biggest increase in wheat acreage allotments since planting controls were reimposed in 1954 after the Korean War.

Noting that "strong demand for wheat exports, both for dollars and for food assistance programs, has reduced our stocks sharply," Mr. Freeman announced a 15% jump in the national wheat acreage allotment, to 55 million acres in the 1966-67 marketing year from the record low of 47.8 million acres in the current year. Including the "small-farm" allowance, farmers participating in the Government wheat program will be permitted to plant a total "effective" allotment of 59.3 million acres in the coming crop year, up from this year's effective allotment of 51.6 million acres.

Much of the impetus for increased wheat production comes from aid to India, currently draining the nation's wheat stocks at a record rate. Agriculture Department officials, in deliberating the size of the acreage increase, have sought to assure plentiful supplies of the basic food for India and other needy lands shopping on credit at the Johnson Administration store, as well as for the growing number of foreign customers buying U.S. wheat with hard cash.

Effects of High Demand

With foreign demand likely to continue at high levels through 1967-68 and beyond, the acreage increase could mark an end to the era of severe acreage cutbacks previously employed to balance the steady rise in per-acre wheat yields. The acreage jump, coming at a time when net farm income is pointing to an 18-year high, will also likely add more fuel to the burgeoning demand for fertilizer, machinery and other farm needs.

In this election year, too, the bigger wheat allowance is expected to mollify farm belt bitterness against the Johnson Administration that threatened to harm efforts of first-term rural Democrats seeking to retain the Congressional seats won from Republicans in 1964.

Farmers are peeved at Mr. Freeman and other Administration officials for cheering the anti-inflationary benefits of falling farm prices while playing down the fact that the rise in average farm income continues to lag behind the national economy's growing pace.

Mr. Johnson probably had some fence mending in mind when he took the extraordinary step of breaking the wheat news in a White House statement that he was instructing Secretary Freeman to order the acreage increase. Agriculture officials seemed surprised by the President's announcement, but one observed that higher wheat acreage "may very well encourage some farmers to believe that (Mr. Freeman) has been fighting for them." Reached by telephone at his Oregon wheat farm, C. Allen Tom, president of the National Association of Wheat Growers, agreed that the acreage increase "can't do anything but good for Mr. Freeman."

Stocks Still to Fall

What should particularly please farmers is that even with expanded wheat acreage, wheat stocks seem likely to sink well below current levels before stepped-up production overtakes demand and begins to rebuild reserves. Thus, a wheat "carry over" of about 550 million bushels currently expected on July 1, the beginning of the new marketing year, might fall to about 350 million bushels by July 1, 1967,

and hover at that level through July 1, 1968.

A 350-million-bushel carry over would be the lowest since 1952 and mark a dramatic contrast to the 1.4 billion bushels that glutted storage points on July 1, 1961. Declining stocks are partly the reason that the average farm price for wheat has ranged from 10 cents to 20 cents above the current \$1.25-a-bushel support price. "Wheat prices will continue to be strong and should be stronger in the coming year," an Agriculture Department spokesman said.

One factor complicating acreage allotment decisions is the nine-month growth cycle of winter wheat, which comprises about 80% of the wheat grown in this country. Farmers will sow their additional acres this fall. However, only a trickle of the new harvest that starts in the Texas Panhandle and moves north through the summer to the Canadian border will be available for utilization before July 1, 1967. "The full statistical measure of the new acreage allotments really won't be clear for another 24 months," said a department official.

Total Shipments Gain

Total U.S. wheat shipments, both domestic and for export, in the marketing year ending June 30 currently are gauged at close to 1.6 billion bushels, up from 1.4 billion bushels in the 1965-66 season.

Increased feeding of wheat to livestock continues to liven a stagnant domestic market that formerly had been tied to declining per-capita consumption of wheat products. The department early in March estimated that livestock use would add about 48 million bushels to last year's domestic consumption of 786 million bushels. Based on a more recent assessment, though, the rise is likely to be more substantial.

The most powerful growth stimulus, however, is aid to India, which is expected to expand exports in the current marketing year by as much as 150 million bushels. Last year, exports totaled 728 million bushels, and as recently as the five-year period ended in 1962 they averaged only 536 million bushels annually.

Railroads, Ports Strained

U.S. rail lines and port facilities already are straining to meet wheat commitments to India, and Agriculture Department experts don't see the load easing until late 1967, at the earliest. For the current calendar year alone, the Government has promised to supply 9 million tons of wheat to India—about equal to 25% of current annual U.S. wheat production and close to 50% of the amount consumed domestically.

President Johnson has called on other nations to supply India with the equivalent of an additional 3.5 million tons of food grains in 1966. So far, 1.5 million tons have been pledged, including a million tons of wheat by Canada. But most of the balance likely will be drawn from U.S. stocks, and much of this could well be in the form of Government aid if contributions by friendly nations to the Indian kitty continue to lag.

Mr. Johnson has made it plain that the U.S. intends to be generous to India. In a message to Congress tied to the visit here in March by Mrs. Indira Gandhi, India's prime minister, he stated that the U.S. will "expect and press for the most energetic and compassionate action by all countries" in behalf of India's food needs. "But if their response is insufficient, and if we must provide more, before we stand by and watch children starve, we will do so."

May 15, 1966

Those Make-Believe Food Sales

President Johnson's recent proposal that we give a half-billion dollars' worth of surplus rupees back to India for use in education and research shows once again—if further evidence is needed—that our so-called "sales" of surplus food to hungry nations are pure fiction.

It all reminds us of the time we "sold" a bicycle to a young man of our acquaintance on the theory that he should not be led to expect such things as gifts. We paid about \$60 for the machine and sold it to him for \$30, which he "earned" by cleaning up the mess in his own room and helping to build a rack to hold the bicycle.

Since 1954, under the Food for Peace program, our government has sold surplus foods for which it had paid about 15 billion dollars under farm price support programs. For this it received something over 10 billion dollars in foreign currencies, much of it in Indian rupees and Polish zlotys which were of little use to us. But by accounting for this as a sale, the department of agriculture could pretend that we had lost only about 5 billion dollars in the process.

The 10 billion, however, never showed up as a budget receipt. It stayed in the country of origin, where our government used what it could for such necessary expenses as embassy maintenance, and offered loans to American business men doing business locally. Some of the holdings have been lent back to the country of origin. But a large part—2.8 billion dollars' worth—has simply piled up to become a headache.

Local governments don't want us to spend the money for anything for which we would otherwise pay dollars; indeed, they don't really want us to spend it at all,

because when we do so it inflates their money supply, pushes up prices, and aggravates what is already a problem for many of them. This is why Washington could actually welcome the news that Indonesia and Yugoslavia had devalued their currencies; they thereby reduced the value of our embarrassing hoard.

Our 1.3 billion dollars in rupees has become a particular source of friction between the Indian government and our own—an ironic reward for our presumed generosity. Mr. Johnson's plan to dispose of some of this money thru an Indo-United States Foundation may be as sensible as any other, but that isn't the point. The point is that Americans have been deluded all along with talk about "sales" [which have proved largely fictitious] and about humanitarianism [even some Indian economists argue that our food shipments have been trivial in relation to the need and have deterred Indians from concentrating on their own production]. We have been prevented from realizing the true cost of the Food for Peace program and, therefore, of our farm subsidies.

Terms on Food Aid Abroad Eased Only a Bit By House Farm Panel Despite Johnson Plea

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON — Despite Johnson Administration warnings of foreign policy and domestic agricultural backfires, the House Agriculture Committee budged only slightly from a previously voted tightening of terms on U.S. food aid overseas.

The tighter terms, unless reversed by the full House or Senate, could force a cutoff of subsidized U.S. food "sales" to India, several other Asian and African countries and perhaps a few Latin American nations. By a quirk of food diplomacy, though, these nations would still be eligible for outright commodity donations.

By a 19-to-13 vote, the House panel rejected Administration appeals for an easing of a ban on easy-credit food shipments to any country trading with North Vietnam or Cuba. For India in particular, the committee's message is to stop its exports of jute bags to Cuba or lose out on the nearly \$1 billion in annual U.S. food aid it currently receives.

Republican committee members were joined by several conservative Southern Democrats in voting down an amendment by Chairman Cooley (D., N.C.) that would have confined the ban to lands sending arms or strategic materials to Hanoi or Havana.

The House panel did relent, however, on a restriction it had imposed on long-term lending authority sought by the Administration for getting food aid recipients to gradually start making payments in dollars. It voted, 19 to 15, to double to 40 years the maximum term of food aid repayments.

The State Department maintained that any shorter credit terms would overly strain foreign currency resources of recipients and undercut efforts to get any dollar payback. At

present, most U.S. food shipped abroad is paid for in local currencies that can't be converted into dollars and that generally are lent back to the aid recipients.

Wrangling over these policy questions promises to make the road considerably bumpier for the legislation that would extend and increase subsidy funds for the food aid program. The House panel two weeks ago approved the extension through calendar 1968, raising the ceiling on food shipment subsidies 30% to \$3.3 billion yearly. Final committee action was held up until yesterday, however, while the Administration lobbied for reversal of the credit and trading-with-the-enemy restrictions.

Chairman Cooley said he hasn't any plans to stage a House floor fight to insert softer language permitting India to continue selling jute to Cuba and still draw subsidized food shipments. Thus the Administration apparently will have to carry the fight to the Senate, where it isn't likely to get much sympathy from Chairman Ellender (D., La.) of the Senate Agriculture Committee.

Nearly all U.S. food shipments to India are currently paid for with Indian rupees, but if Congress bans these transactions the Administration could continue to supply at least some of India's needs through outright gifts. However, of the proposed \$3.3 billion in overall food aid, only \$800 million is allotted for world-wide donations, and the Administration also sees other obstacles to channeling much more food to India in the form of a gift.

Should the Congressional ban result in a sharp curtailment of overall food and shipments, Agriculture Department spokesmen warn that domestic farm dislocations will surely follow. The increase in wheat acreage allotments announced earlier this month, for instance, was mainly designed to meet the drought-provoked needs of India in particular.

Administration Is Fighting Curb On Food Aid to Other Countries

By FELIX BELAIR Jr.

Special to The New York Times

WASHINGTON, May 22 — The Administration has quietly passed the word to key House members that it may have to rescind the recent 15 per cent increase in wheat acreage allotments unless some restrictive provisions are modified or removed from the \$3.3-billion so-called "Food for Freedom" bill.

The Budget Bureau has notified agriculture and foreign aid officials that unless the provisions are greatly modified, it will urge the President to take a new hard look at the prospective 200-million-bushel increase in the wheat crop lest the Government be required to purchase and store the amount.

Officials believe that with the restrictions surpluses would occur.

In the Administration's view, the most objectionable feature of the bill reported out Thursday by the House Agriculture Committee is a prohibition on food aid—either cash or credit—to any nation furnishing or delivering commodities, goods or equipment, including humanitarian medical supplies, to Cuba or North Vietnam.

Under the terms of the ban, not even the United States could qualify as a recipient under the Food for Freedom program, because it has been sending medicines and medical supplies to Cuba. It would also nullify the resolution on Cuban trade adopted by the Organization of American States that the United States signed. The resolution, adopted in July, 1964, provided:

"That the governments of the American states suspend all their trade, whether direct or indirect, with Cuba except in foodstuffs, medicines, and medical equipment that may be sent to Cuba for humanitarian reasons."

Economic Loss Feared

Vital United States food shipments to India—without which millions might starve to death—could not be made under the ban, unless India's export of \$600,000 worth of fute for mak-

in the case of disasters, or to countries unable to accept it on credit. In the case of Food and Freedom shipments to India, that nation would have to agree to pay for all such aid in dollars plus interest after 25 to 40 years.

In addition to India, Pakistan, Yugoslavia, Poland, Morocco and six in South America would be ineligible for United States food aid under the House committee's provision. There is no food aid agreement now between the United States and Poland, but the effect of the provision would foreclose the possibility of reaching one as long as Poland did any trade with Cuba.

The fact that the United States has been providing medicine and medical supplies to Cuba was brought up during committee consideration of the ban.

Nevertheless, the panel voted 16 to 13 for the prohibition and to reject a milder restriction proposed by its chairman, Harold D. Cooley, Democrat of North Carolina, that would have invoked the ban only in the event of sales or transportation of strategic materials and munitions to Cuba or North Vietnam.

Warning Is Issued

The State Department estimates that had the ban been in effect, more than half the food aid shipments in the last 11 years—worth \$14.6-billion at world market prices—would not have been approved. Its estimates includes the qualification that a nation in need of food would probably have done everything possible to sever its trade with proscribed countries in order to prevent famine.

The State Department says that the steps the prohibition "will require and the political and public reaction to this form of invasion of sovereignty will be too high a price for the United States to pay."

The Food for Freedom program both replaces and, in effect, extends the present Food for Peace program for another two years. It puts heavy emphasis on self-help and base food aid on a recipient country is making the maximum use of its own resources in solving its food problems.

The Food for Peace program has essentially been a program for the disposal of United States surpluses, either for local currencies or, in some instances, direct donations. Food for Freedom, on the other hand, would utilize United States food production capacity for the program abroad. Instead of selling chiefly for local currencies, it would sell on long-term dollar credit, for the most part.



Strings on Food Aid

The Administration is right to oppose an amendment to its \$3.3 billion "Food for Freedom" bill which would deny food aid to countries furnishing goods, including humanitarian supplies, to Cuba or North Vietnam.

The amendment, which was approved by the House Agriculture Committee last week, is so restrictive that not even the United States could qualify under it. We now send medical supplies to Cuba in accordance with the 1964 O.A.S. resolution on Cuban trade.

The committee addendum is also objectionable because it allows no exceptions in special cases. India, for example, now sells Cuba \$600,000 worth of jute for sugar bags each year. This is a relatively harmless item, but it provides India with badly needed foreign exchange. Under previous legislation the President could waive restrictions and permit the aid to go through. Not so under this bill.

The aim of the House committee is doubtless a good one. But particularly in humanitarian undertakings like the "Food for Freedom" program we should avoid laying down too many political conditions. The President has described the program as a war against hunger" and he has proposed that the United States take the lead in this idealistic struggle. It will not seem very idealistic to other people, however, if we use it to promote unrelated political goals.

There are strings on the President's program, but they are necessary strings, related to the purpose of the bill. Food aid is to be granted only to those countries which are energetically striving to improve their own food production. World food needs are expanding so fast that surplus-producing countries like the United States will not be able to meet them for long. The developing countries must learn to help themselves. And the "Food for Freedom" program is designed to encourage such self-help, not replace it.

But if the program is to be effective it must be acceptable to those who need it most, and too many political conditions may make it a dud.

The thing that is most apt to swing the House to the Administration's view is the Budget Bureau's warning that wheat acreage allotments here will have to be cut back if the restrictions remain in the bill. Food aid is no longer a surplus disposal program. Over the years it will mean substantially increasing present production. But this will be so only if the rest of the world is willing to accept it.

The "Food for Freedom" program is a worthy and necessary one. With world population exploding the way it is famine is an ever-present threat in many areas, and famine is the forerunner of political instability and chaos. The food problem is everybody's problem. We must start to solve it now.

'Strategy strings' assailed in 'Food f

THE CHRISTIAN SCIENCE MONITOR

First of two interviews giving both State Department and congressional sides of a rising Washington fight over a key arm of American foreign policy—the Food for Peace program.

By David K. Willis
Staff correspondent of
The Christian Science Monitor

Washington

Richard W. Reuter, the man who runs the \$1.8 billion-a-year American Food for Peace program, strode across the room, sat down, and took aim at the House of Representatives.

"It would seem," he said in an interview, "that political strings are to be attached to concessional sales of American food to hungry nations abroad. They will make the program inflexible. They will reduce its influence. They will tarnish the American image."

Mr. Reuter, a brisk special assistant to Secretary of State Dean Rusk, was making his first public criticism of changes the House Agriculture Committee made last week in the President's Food for Freedom bill.

He and Mr. Rusk are particularly concerned by the committee's action in forbidding food sales or grants to nations who sell or ship to North Vietnam or to Cuba.

This is an extension of the current law, which bans sales only to nations whose ships carry trade to Cuba. The Agriculture Department and the Agency for International Development are equally opposed to change.

"India sold \$600,000 worth of jute to Havana between April and December, 1965," Mr. Reuter said sternly. "That's two-tenths of 1 percent of its total jute shipments."

"Cuba uses the jute to make sugar bags. Now, the House committee language makes no distinction between strategic or nonstrategic goods, or humanitarian cargoes. So if this becomes law, India will have to stop selling the jute or lose American food aid."

Nations affected by change

He implied that India must have the food, so it will drop its jute exports. This is the kind of invasion of another nation's affairs that the State Department badly wants to avoid.

Other nations immediately affected by the House action would be Pakistan, Yugoslavia, Poland, Morocco, and six in Latin America.

Responsible for the new language is Rep. Paul Findley (R) of Illinois, who wins considerable support in Congress by insisting that no aid be given to anyone helping Hanoi fight Americans in South Vietnam.

Beginning what is intended to be a sustained campaign to have the House language changed, Mr. Reuter told this newspaper:

"Political strings like this are self-defeating. Why, the United States itself does not meet the criteria — we have been sending medical supplies to Cuba ourselves!

"If this kind of restriction had been in effect over the last 10 years, about half the value of the program would have been lost."

(So far, Food for Peace has provided some \$14.6 billion worth of food abroad, in grants and local currency sales.)

Now in top gear, Mr. Reuter continued: "Look at the position this put us in. The emphasis in the President's bill is on self-help. We are saying to needy nations: 'If you help yourselves, so that in time you can produce your own food, then it is worthwhile for us to meet your short-term needs now.'"

House mood assessed

"Moreover," he said, "we are trying to convince European nations to help us to do it."

"Now, all of a sudden, we are saying that we will fight the war on hunger—but on carefully chosen ground. Political strings can only detract from our motives."

"We are not trying to help Hanoi or Havana—far from it. We just believe that our foreign-policy hands should not be tied in this way."

Judging by the House mood at the moment, there appears little likelihood that the full House will amend the committee language on the floor.

Two weeks ago, the full House endorsed the same language in the agriculture appropriations bill.

Nor is the State Department happy about what might happen in the Senate. "We just don't know," said an official with a shrug of the shoulders. The administration has some friends in the Senate. It now is busy checking each member of the Senate Agriculture Committee to ascertain support.

There are signs that the language may be amended in the Senate, and go to conference. But Mr. Reuter isn't waiting. He has decided to move onto the attack now.

"You know," he said with a grin, "the bill

A new nightingale

BLACK-HEADED NIGHTINGALE-THRUSH—*Catharus Mexicanus Mexicanus* —6— Crown dull black —. . . upperparts . . . uniform olive—throat whitish . . . chest, sides and flanks olive—lower breast and belly white—bill and eyelids bright yellow—legs dull yellow.

DISTRIBUTION: Tamaulipas, Vera Cruz and State of Mexico.

REMARKS: A small olive-backed forest bird. . . Its song suggests that

language isn't amended.)

The bill leaves intact the President's request for \$3.3 billion a year for the new Food for Freedom program, but cuts the authorized term from five to three years.

It also establishes a farmer-to-farmer program by which the Agriculture Department would use American know-how to solve farm problems abroad.

Mr. Reuter is worried about other committee changes. Among them: that countries receiving Food for Peace — or, to give its new title, Food for Freedom — aid must identify it as coming from the United States when it is sold.

He waved a hand at the unusual curtains in his office — made from the sacks used to transport wheat abroad, with the red and white government markings clearly visible.

May 25, 1966

Punishing the Hungry

It's election year and everybody is anxious to get on the record in a militant anti-communist pose. At least that seems to be the explanation for the recent action by the House Agriculture Committee regarding the Food For Freedom program.

The panel has tacked on a clause withholding food from any nation that does any trade with Cuba or North Viet Nam. There is no qualifying phrase about non-strategic goods or medicine to Cuban invalids. It's a flat ban, the type so satisfying to those who would like this to be a simple world with simple decisions.

Unfortunately, the measure threatens to punish our friends more than our enemies. It would cut off food to an India wracked by famine simply because that country exports a mere \$600,000 worth of jute for making Cuban sugar bags. It would dry up the flow of American food to other distressed countries for similar minor trade in non-military items. Ironically, even the United States could not qualify for food aid under its own program, since we send medicines to Cuba ourselves.

There is an easy way for either the full House or the Senate to repair this bill. Ideally, of course, the clause should be stricken. But in lieu of that, a line or two leaving such aid to the discretion of the President will satisfy two

goals. It will leave the House committee members on record as vigorous champions of democracy, and it will leave the program precisely where it was before.

It's a complicated way to enact a bill. But it's better than punishing a lot of hungry children abroad for an offense they never committed.

May 26, 1966

Remove the strait jacket

The administration's "Food for Freedom" program is designed to help feed the world's hungry and at the same time encourage recipient nations to do their utmost to improve their own agricultural efforts. It is a promising venture.

But government sources are concerned lest recent congressional action seriously impair the program's effectiveness. The House Agriculture Committee reported the bill with conditions which would, in effect, bar the people of a number of needy countries, such as India and Pakistan, from receiving aid.

The bill as reported would prohibit aid to any country furnishing or delivering commodities, goods, or equipment to Cuba or North Vietnam. It would even bar aid to countries furnishing humanitarian medical supplies. (The United States itself is sending such supplies to Cuba.)

Congress has in the past imposed restrictions on aid to those states trading with Communist countries. But these restrictions have been limited to trade in strategic materials. And, as a rule, the Presi-

dent could, in the national interest, waive the restrictions.

The administration is so concerned by the House committee's move to attach political strings to the measure that it has, unofficially, threatened to rescind its recent 15 percent increase in wheat acreage allotments should the committee restrictions be allowed to stand. It believes that an increase in wheat production in the face of the restrictions would result in the accumulation of new surpluses, to which it is firmly opposed.

Sometimes it is clearly in the national interest to aid nations trading with governments of which the United States disapproves. Congress does a disservice to the nation to tie the hands of those who must decide in a given situation what is in the national interest.

The House now has the opportunity to take this bill out of the strait jacket into which its committee has put it. Should the House fail to give the administration the needed flexibility, then it will be up to the Senate to do so and to persuade the House in conference to accept the administration's version.

For aid

May 27, 1966

But They Don't Have Cake

Famine and drought are hardly strangers in India. Now comes the time of year when the monsoon looms, for better or for worse. Better, if the weather relieves the drought. Worse, if the weather prevents even emergency food shipments from reaching India's more inaccessible areas.

Has there been actual famine in India this year? The government reports there have been no deaths from starvation. News accounts say that 50 to 200 persons have died for want of food. To which the official reply has been that the victims suffered from general malnutrition anyway, but didn't actually starve. Is it an exercise in semantics?

In any event, there have again been acute food shortages in India. The state of Orissa is the center of India's rice bowl. Normally, more than 8 million tons of grain are grown there every year. This year the lack of rain has caused a shortage estimated as high as 7 million tons. After 14 years of trying to plan, the Indian government still is unable to supply basic necessities to the people — rice, wheat and sugar, for example — in adequate quantities or at reasonable prices. India already consumes half as much of the annual wheat production of the United States as we do ourselves.

Fertilizers are the key to India's latest crash program to mend the food situation. It has been agreed between Washington and New Delhi that India will collaborate with American economists to build a 200,000-ton fertilizer plant in Madras. Seven United States commercial banks are advancing a loan of \$37 million to the American International Oil Company which will build the plant. President Johnson is determined that American aid must not become so automatic and unquestioned that India will feel relieved of its obligations to feed itself. Even so, India's Prime Minister Mrs. Gandhi had to weather much leftwing criticism to push the fertilizer deal through, back home. Unfortunately, it's not the politicians who starve. It's the people.

June 1, 1966



Time India Stepped On the Gas

By RICHARD H. BOYCE

Scripps-Howard Staff Writer

NEW DELHI, June 1 — Sooner or later, the United States must decide whether we will just go on donating enough aid to keep India's head above water, or go all out and provide the big push India needs to get her over the threshold into the 20th Century as a developed nation.

We have poured more than \$6 billion into India in 16 years. Much of it was food aid. But there also have been tremendous programs designed to help India overcome her backward farming system, and provide her with the schools, universities, dams, power stations, roads and manufacturing plants that India lacked.

India has made some progress in a few areas. Yet today, there is still strong resistance to American help. Foggy notions of socialism make Indians think every factory built with U.S. help means the American capitalistic monster is going to take over India's economy.

BRAINWASH

Every teacher, doctor, professor or expert who comes here is regarded as trying to "brainwash" the Indians.

The Indian-American Foundation proposed in March to be established with U.S. funds will mean U.S. "meddling and interference in Indian educational policies." U.S. help for India's atomic research is "just a way to get CIA spies into the country."

Like some Latin American and African nations, India wants U.S. money, but she wants to be left alone to spend it as she sees fit, not as the U.S. thinks would help.

Fortunately, a handful of India's leaders recognize that U.S. aid can transform India quickly. These leaders — Mrs. Indira Gandhi, the prime

minister, is among them — listen to U.S. officials and try to work out ways to overcome Indian resistance.

DISCUSSIONS

In recent discussions over whether the U.S. would resume economic aid cut off last year when India and Pakistan warred over Kashmir, Mrs. Gandhi was told by a high U.S. official:

"Washington thinks you should give priority to correcting and building your agricultural sector. Population control should be close to the top. We recommend you encourage private enterprise and get the government out of competition with business. And we think you should relax those complicated import controls so industry can get needed raw materials and spare parts ... then Washington will make certain funds available."

Mrs. Gandhi was reluctant to tell her cabinet of Washington's "conditions" on aid. "Look, Mrs. Gandhi," the American urged, "you take the initiative. Don't tell them that Washington wants you to do these things. Tell them 'here are four things I want to do.'"

Since then, many controls have been relaxed and aid negotiations have proceeded apace, despite widespread criticism that Mrs. Gandhi is "yielding to the West" and "shedding socialism." U.S. officials now privately predict that by year's end, India will have begun major steps toward an economic breakthrough — barring continued drought, or military action by Pakistan or China.

Why is India's progress so meaningful to the U.S.? Strategically, India can be a major bulwark in U.S. containment of China. But to do so effectively she must be economically strong.

House Votes Expanded Food Aid Shipments, Blacklists India for Trading With Enemy

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—The House approved a bill authorizing expanded U.S. food shipments overseas, but largely blacklisting the biggest recipient, India, and several other countries as long as they continue to trade with North Vietnam or Cuba.

As it cleared the House by a vote of 333 to 20, the bill provides for Federal subsidies of up to \$3.3 billion yearly to finance easy-credit sales or outright gifts to needy lands abroad of any food product that is "available" domestically. This represents a 30% increase in the current food-aid ceiling and a broadening of standards that have heretofore confined subsidies to commodities "in surplus."

The legislation's managers didn't attempt to overturn a curb voted by the House Agriculture Committee on aid to nations that either trade directly or permit its ships or aircraft to haul goods to Hanoi or Havana.

They saw possible defeat in any attempt to scuttle the restrictions, despite Johnson Administration warnings that the ban could undermine U.S. relations with India and also force rescinding of last month's 15% increase in U.S. winter wheat acreage allotments. The 15% increase stemmed mainly from President Johnson's commitment to step up food aid to India, where drought conditions have intensified

grain-shortage problems. But in its half-passed form, the food aid legislation would prohibit any further subsidized sales—though not outright gifts—to India unless it cuts off jute shipments to Castro's Cuba.

Of the \$3.3 billion of food aid authorized in the bill, only \$800 million is allotted for worldwide donations, and the Administration also sees other obstacles to channeling much food to India in the form of a gift.

Senate Changes Possible

One reason why the White House didn't make a House floor fight against the trading restrictions is that Administration officials are hopeful of getting them softened when the Senate Agriculture Committee takes up the measure, probably later on this month.

If they get the Senate to agree to an aid restriction only on countries that supply Cuba or North Vietnam with strategic goods, Administration strategists think they can persuade a House-Senate conference to adopt this language.

Although Chairman Ellender (D., La.) of the Senate Agriculture unit has long been critical of the food aid program, Administration men also think they've warmed him up to their plans for increasing outlays and eligible commodities. They have stressed the self-help requirements that the bill would impose on aid recipients and also provisions for gradually requiring them to pay for the food in dollars. At present, most food shipments overseas are "sold" for foreign currencies that can't be converted into dollars and are generally "loaned" back to the recipient governments.

Terms of Dollar Loans

The Administration is apprehensive, however, that the Senate will tighten terms on food shipped on a dollar-loan basis. In order to avoid overtaxing the foreign currency resources of recipients, the State Department contends that a 40-year repayment term is necessary in many instances.

Should the Senate shorten the maximum term, the House might come to the Administration's rescue. The House rejected, 193 to 165, an effort led by Rep. Harvey (R., Ind.) to hold the loan ceiling at 20 years and also raise interest rates to a level higher than the Administration wants.

The House-passed bill would extend the program for two years, through 1968. Although the Administration wants the annual aid ceiling raised to \$3.3 billion, it's only budgeting a little more than half of that for shipments in the fiscal year beginning July 1.

WORLD FOOD PLAN PASSED BY HOUSE

Bill Permits Production To Feed Needy

[Washington Bureau of The Sun]

Washington, June 9—The House today approved a two-year, \$6,666,000,000 "Food for Freedom" bill which for the first time authorizes the deliberate production of food for a hungry world.

Until President Johnson proposed this historic shift in policy early this year, American agricultural shipments to needy nations consisted mostly of surpluses purchased under Government farm programs.

The new measure, which is likely to win Senate approval later this session, empowers the Government to buy food for shipment abroad on the open market.

Population Control

It also puts the United States in the vanguard of encouraging world population control by directing the President to consider such activities in deciding where to channel food aid.

Moreover, the efforts being made by countries to increase their own agricultural production are listed as key elements in the program.

The idea of expanding the present "Food for Peace" effort under the new title selected by the Johnson Administration enjoyed wide bipartisan support in the House today, as it did in the Agriculture Committee.

GOP Move Defeated

Republicans made an effort to halve the 40-year loan period for credit sales of food, but they were defeated on this and more minor amendments.

Before final enactment, the House gave its approval to the shipment of vitamin and mineral-rich fish flour concentrates without awaiting its approval for domestic consumption by the Food and Drug Administration.

Perhaps the most troubling item in the bill for the Administration was a provision banning easy credit sales of "Food for Freedom" to nations trading with or transporting goods to North Vietnam. Donations would be permitted, however.

While an effort will be made to knock out this prohibition in the Senate, Administration forces did not dare risk a roll-call vote on the issue in the House today.

Did Not Risk Vote

The swift approval of the turnabout in agricultural policy from the "dumping" of surpluses to deliberate efforts to feed hungry nations reflected a dramatic change in sentiment on Capitol Hill over the past year.

The House Agricultural Committee expressed congressional awareness of the food and population crisis when it noted expert testimony that:

"The increase of the world's population is so awesome as to seem unreal. . . .

Starvation Feared

"In 1980, some 15 years from now, world population will probably increase by 1,200,000,000 — from 3,400,000,000 to 4,600,000,000 — and by the year 2030 world population will reach 14,000,000,000 if present trends continue. . . .

"Mass starvation will inevitably result on a scale never before experienced . . . unless family planning is accorded a priority.

"A gigantic effort must be made to improve agricultural production in the under-developed areas of the world, with American know-how and show-how."

Food Aid—With Strings

The House has passed a generally good bill to launch President Johnson's "Food for Freedom" program, but with some crippling restrictions that require removal by the Senate.

The measure gets away from the "surplus food" stigma and clearly commits the United States to use its agricultural productivity both "to combat hunger and malnutrition," and to encourage agricultural reform and expansion in the developing countries. It puts heavy emphasis on self-help by recipients, and for the first time takes voluntary programs of population control and family planning into account in allocating food aid.

But the bill's restrictions are serious enough to prevent food from reaching the peoples most in need. They could so hamper administration of the program as to build up unmanageable surpluses of certain commodities and throw American farm production once again into serious imbalance.

The House would ban sales of American food to any country that "sells or furnishes" or that allows its ships or planes to carry "any equipment, materials or commodities" to or from Cuba or North Vietnam. Under this ban, India would have to cut off its annual export, for badly needed foreign exchange, of \$600,000 worth of jute to Cuba for the making of sugar bags—if India wanted American food.

The bill would also pressure the Administration to persuade recipient countries to grow food on lands that now produce nonfood commodities in world surplus, irrespective of the effect on the national economies. For example, India could be "encouraged" to transfer to food crops the acreage on which it now grows tobacco and cotton, which earn foreign exchange but compete for world markets with American products.

It is up to the Senate to see that these self-defeating restrictions are not allowed to imperil a program that could mean the difference between life or death for millions of human beings.

June 15, 1966

Senate Pressed on Food for India

By the Associated Press

The Johnson administration mounts an offensive in the Senate today to try to overturn House action it believes might knock India out of the Food for Freedom program.

Secretary of Agriculture Orville L. Freeman leads a delegation of agriculture, State Department and foreign aid officials before the Senate Agriculture Committee to oppose a provision in the two-year \$6.6 billion bill banning credit sales to nations which trade with North Viet Nam or Cuba.

India falls in this category because of sales of jute bags to Cuba for its sugar crop and

because of minor trade with Hanoi. In passing the bill last Thursday, the House rejected an administration attempt to apply the ban only to trade in strategic munitions or materials.

President Johnson, who has aimed the program toward nations which will do more about their agricultural problems, was reported to be disturbed by the limitation on India.

The house turned down a Republican effort to knock out credit sales to Yugoslavia and Poland.

The measure provides for shifting credit sales to long term installment payments in dollars up to 40 years. Instead of

merely "surplus" crops, all products would be eligible for sales. The House specifically included fish flour among these.

Foreign currencies accumulated under the assistance program could be made available to countries in which they originated for population control efforts.

A Peace Corps type of "farmer-to-farmer" technical assistance also would be authorized.

Meanwhile, it was learned that India is looking urgently to the World Bank, the International Monetary Fund and the United States to provide about a billion dollars in quick economic support to help tide its economy over a period of stress.

India and Pakistan To Receive U.S. Aid At Full Rate Again

By JOHN W. FINNEY

Special to The New York Times

WASHINGTON, June 15—

The United States is resuming full-scale economic aid to India and Pakistan, the State Department announced this evening.

The State Department statement explained that the United States was resuming aid because the two countries, after their brief war last September, were once again "concentrating on the urgent tasks of national development."

[Authoritative sources in New Delhi said Wednesday that the Aid India Consortium was expected to announce a \$900-million loan to India in a few days.]

The United States economic aid, at least at the outset, is expected to flow to the countries at about the same rate as before the suspension last fall. But there is a likelihood that there eventually will be an increase for India. However, this depends upon Congressional action on the foreign aid bill.

The Johnson Administration suspended both economic and military aid to the two countries after they became involved in war. While it is resuming economic aid, the Administration is still holding back on military assistance. However, it has opened the door to let the two countries obtain "nonlethal" military equipment from the United States.

Before the suspension, the United States, through consortiums organized by the International Bank for Reconstruction and Development, was supplying \$435-million in economic aid to India annually and \$212-million to Pakistan. Since last fall, the United States has only lent Pakistan \$50-million and India \$150-million—\$50-million for fertilizer and \$100-million for general imports.

A State Department spokesman said the aid to the two countries "will be roughly the same as in the past."

Initially the resumed assistance will come from foreign-aid funds already appropriated, but the statement said "further aid is contemplated, subject to Congressional action" on the foreign aid bill.

Resumption Is Explained

In explaining the resumption of aid, the State Department statement said:

"During the last six months, the President and members of the Administration have had the opportunity for extensive discussions with the President of Pakistan, the Prime Minister of India and members of their Government. During this period there has been a return to the peace, which was so tragically interrupted by last fall's conflict. The Governments of India and Pakistan are again concentrating on the urgent tasks of national development. Drawing on experience and the results of past efforts, both countries have economic plans which show high promise.

"In concert with other members of the World Bank-led consortia for India and Pakistan, the United States wishes to do its share in support of development and mutual cooperation in South Asia. Within this framework, steps are now in process toward the orderly and early resumption of United States economic assistance to both India and Pakistan through use of funds already appropriated. Further aid is contemplated, subject to Congressional action."

Timing Called Problem

To show its impartiality between the two countries, the Administration deliberately announced the resumptions simultaneously. The most immediate problem, however, and one that was preoccupying the Administration was the timing for resuming aid to India.

In the case of Pakistan, the United States has been prepared to resume aid once she showed that she was prepared to comply with the Tashkent accord, which ended the war, and was not increasing her military spending. But for India, the problem was far more complicated. Before acting, the Administration wanted some assurance that the Indian Government was undertaking some reforms to spur its lagging economy.

In recent weeks, India has taken steps to encourage private foreign investment in fertilizer production, placed greater emphasis upon increasing agricultural production, undertaken an active birth-control program, and most importantly, she has devalued the rupee.

EASING IS SOUGHT OF FOOD AID BAN

Senate Studies House Bar On Nations In Red Trade

By JOSEPH R. L. STERNE

(Washington Bureau of The Sun)

Washington, June 15—Administration officials urged the Senate today to put a loophole in the House-approved ban on food aid sales to countries trading with Cuba and North Vietnam.

They got quick encouragement from Senator Ellender (D., La.), chairman of the Senate Agriculture Committee, who scanned a table listing North Vietnam's trade with free world countries and remarked:

"To me, the significant thing is that it doesn't amount to much." Senator Cooper (R., Ky.), a former Ambassador to India, the largest food aid recipient, specifically objected to the prohibition the House inserted in the new "food for freedom" bill.

India Hit Hardest

"I don't think we can limit the President in the whole management of a foreign policy issue of such transcendent importance," Cooper remarked.

India, which sells jute bags to Cuba, would be the country hardest hit by the absolute House ban.

Washington officials have no doubt India would forgo its jute sales to Havana rather than cut off the huge flow of American foodstuffs. But they believe the Government of Prime Minister Indira Gandhi would be severely buffeted by the leftist opposition if India had to bow to such American pressure.

New Restrictions Voted

Just before the Administration launched its bid in the Senate to give the President flexibility in the "food for freedom" program, the House Foreign Affairs Committee slapped new restrictions on his authority under the foreign aid bill.

It did so by stating flatly that no assistance should be furnished under the act to any country failing to take "appropriate steps" to halt ships flying its flag from going to North Vietnamese ports.

Under current law, the President is given the prerogative of considering whether the United States should deny foreign aid to nations shipping to the enemy.

The House committee also added a provision banning aid to countries taking part in international conferences which engage in aggressive propaganda against the United States and plan activi-

ties involving insurrection and subversion.

It was explained that this was an outgrowth of the Tricontinental Conference held in Havana earlier this year.

Government sources said they doubted today's House committee amendments would have much practical effect on the foreign aid program. In contrast, they took a serious view of the prohibition written into the food assistance measure.

Ellender Critical

While Ellender hinted he may support the Administration by giving the President discretion in aiding countries trading with Hanoi and Havana, he assailed the basic premise of the new "food for freedom" bill the idea that the United States should deliberately produce food to fight the world hunger program rather than merely tap surplus stocks.

"The point I want to emphasize is that we shouldn't produce food merely to give it away," the peppery Louisiana Democrat stated during a committee hearing.

When Orville L. Freeman, Secretary of Agriculture, replied that Ellender would not want acres laid idle while people starve, the committee chairman replied: "I don't know about that. There are people in our own country going hungry. We can't put ourselves in a position of trying to feed the whole world."

Food Called Inducement

Freeman denied that the new Administration food aid legislation is designed with that objective in mind.

"If we start out to feed the world we are on a collision course," he said. "But we should use our food as an inducement, a prod, an investment to get countries moving on their own."

Asserting that the race between population and food supply is the most important single fact of our time — more important than the bomb or Vietnam or atomic

energy," Freeman called food aid "an integral, essential part of foreign policy."

"We have been breeding like rabbits and doing nothing about feeding the rabbits," he remarked.

Freeman praised the food-aid bill passed by the House last week as "a great step forward" in President Johnson's "war on hunger."

He noted especially the emphasis to be given to aiding those countries adopting policies and taking steps to make themselves agriculturally more self-sufficient. In addition, he praised the idea of shifting food sales from the soft currencies of recipient nations to easy credit dollar loans as long as 40 years with a 10-year grace period.

Prohibition Criticized

The Agriculture Secretary, however, objected to a House requirement that food sales—as distinguished from gifts—must be marked as coming from the United States and the House decision to two.

His most stringent comments were directed at the House ban on food aid to a country trading with Cuba or North Vietnam.

Asserting this prohibition poses "tough problems in administration," Freeman declared:

"It would be extremely difficult and sometimes impossible to determine which nations were selling or supplying materials that might move into North Vietnam and Cuba.

"We are not equipped to do this sort of policing—and, as we know, a law on the books that is not enforced is worse than no law.

"Also, this language would set up restrictions upon other countries more severe than the restrictions we impose on ourselves. We are able, under our own authorities, to supply food and medicines to Cuba if we determine it is in the national interest to do so."

June 22, 1966

U. S. HAND OF MERCY AGAIN TO INDIAN SUBCONTINENT

THE war between India and Pakistan has had nine months to cool off. Apparently, it is doing just that. Otherwise the United States would not have decided that it is time to resume full economic—but not military—assistance to the two long-quarreling neighbors crowded into the Indian subcontinent. The suspension of American help last fall was intended to bring the warring governments to their senses.

India and Pakistan are regarded as being in a special class among the recipients of United States assistance. The continuing needs of these two countries are greater than the requirements of any others being benefited by America's bounty. The U. S. does not attempt to go it alone in assisting India and Pakistan. The U. S. approach is to share in supporting the development of South Asia through consortia led by the World bank. This nation is the largest single contributor.

Over the last two decades, this country has supplied more than 10 billion dollars in aid programs for the Indian subcontinent. There has been some progress, especially in Pakistan. But India, held back by the inertia of age-old customs, can barely feed its ever-rising population, let alone advance standards of living. Yet there is satisfaction in the fact that India has held onto her independence while resisting the pressures and lures of communism. Without U. S. aid it could have been a different story.

This year Pakistan and especially India have been threatened with food shortages. Even with the general suspension of the aid program the United States found it advisable to lend India 100 million dollars and Pakistan half that sum. Food has been shipped to the subcontinent on an emergency basis.

India and Pakistan have not resolved their simmering differences that center on the Kashmir territorial dispute. There have been minor flare-ups along their borders. But the cease-fire settlement was certified by the Soviet-sponsored get-together at Tashkent early this year. Subsequently no major disturbances have occurred along the shared frontiers.

It is against this background of relative tranquillity that the United States resumes its policy of stimulating the two countries to get on with their enormous tasks of economic development.

July 6, 1966

Feeding the World

Firms, U.S. Plan Fight On Protein Deficiency In Impoverished Lands

Fast Rise in Living Standards Seen if Disease Is Halted; Mass Test Slated in India

Quaker Oats Aids Colombians

By BURT SCHORR

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—Malnutrition afflicts an estimated 350 million children, or 70% of the world's population under the age of six. Half of its victims probably will die before they are grown; the remainder may be marked for life by stunted physical and mental development.

Malnutrition is no stranger to history. In recent years, however, medical men have begun to recognize one of its forms as a particular menace to world health. Its name: Kwashiorkor—or, less exotically, protein deprivation.

If its debilitating grip can be loosened, living standards in impoverished lands might begin to rise with surprising speed. Overcome kwashiorkor, U.S. foreign aid officials say, and the food and population pinch which confronts poor lands like India could ease sharply. Their reasoning: A healthier, more alert populace could work harder and more effectively to feed itself; mothers, given hope that their babies might live beyond childhood, might become more receptive to birth control appeals. U.S. planners caution, however, that because protein deficiency is deeply rooted in regional food customs and national poverty, its remedy won't be simple or swift.

World-Wide Assault

Even so, U.S. Government hunger-fighters are assigning a high priority to the first world-wide assault on kwashiorkor, now being planned. Their efforts have the enthusiastic backing of President Johnson; the Administration's "food for freedom" bill, now nearing final action by Congress, is expected to provide encouragement by shifting U.S. food aid aims further from the surplus disposal of past years to filling specific diet deficiencies of hungry lands.

Barring some hitch, the Agency for International Development and the Agriculture Department hope by the year-end to begin a massive pilot program, probably in India, distributing wheat whose protein quality has been significantly improved by the addition of a special compound. Up to 1 million tons of the grain and as many as a million persons may be involved. The goal is to show the benefit of adequate protein intake in actual human diets—far from the laboratory.

The Government also is turning to a possibly powerful kwashiorkor weapon that has been left almost idle during two decades of foreign aid: The U.S. food industry.

In a few months AID officials expect to begin granting indirect subsidies, probably in the form of wheat, corn and other commodities, to support marketing abroad of locally adapted protein foods by overseas subsidiaries of U.S. food and chemical companies, probably including General Foods Corp. and Quaker Oats Co. More liberal use of AID's extended risk guarantee program, which offers reimbursement for losses ranging up to 75% of capital investments, is expected to encourage American companies' outlays for plant and equipment to produce protein food in hungry lands with shaky economies. Profits aren't the prime aim; but participating firms could well discover that the new protein drive has exposed their brand-name products to millions of potential new customers.

U.S. Feeds 500 Million

Since World War II Uncle Sam has given away or sold on long-term credit more than \$14 billion of foodstuffs, and U.S. aid currently is helping to feed some 500 million persons around the world. "But we've always avoided using brand-name products," notes Herbert J. Waters, head of AID's Office of Material Resources. "Now we want to escape the stigma of charity donations and at the same time build up local food processing on a country-by-country basis." Adding urgency to AID's efforts is the fact that surplus stocks of dry milk, heretofore the prime source of proteins for U.S.-aided foreign diets, have been cleaned out, and the climbing free-market cost of milk rules out heavy purchases by the Government for shipment abroad.

The complex interplay of diet deficiencies that comprise general malnutrition still is only partly understood by nutritionists. But this much is known: The body needs more than 20 amino acids to build the proteins essential for bone and tissue growth and maintenance. Given an adequate diet, it can produce all but 9 of the acids itself; the others it must obtain from animal or vegetable protein sources.

Where undernourishment—or hunger for food of any quality—is the problem, though, it's probably useless to increase protein intake; rather than building up its supply, the body will consume protein as calories until calorie needs are met. Even a combined improvement of protein-calorie intake can precipitate vitamin A deficiencies in children, causing impaired vision or total blindness—a problem that developed in Brazil before vitamin A was added to U.S.-donated powdered milk.

Impact on Children

There's increasing evidence, all the same, that kwashiorkor is the single most important element of malnutrition. Studies repeatedly have shown that in protein-poor regions such as Central America and southern India, rice, corn, bananas and other high-carbohydrate foods commonly consumed help provide a certain minimum amount of essential protein for adults, yet often fail to do so for children whose protein needs are far greater.

Kwashiorkor, in fact, is originally a Ghanaian expression used to describe the poor health of toddlers recently weaned from mother's milk, a source of high-quality protein. Freely translated, it means "the sickness the older baby gets when the new baby comes." In Guatemala, mothers often stop nursing infants when they are about six months old, an age when they require some three times as much high-quality protein per pound of body weight as the average adult. Even at two years, the weaning age in some parts of central Africa, a child needs about one and a half times the proportion of protein adequate for an adult.

Kwashiorkor victims suffer stunted growth, diarrhea, swollen tissue and hair discoloration; often they die from measles, chicken pox and other childhood diseases that otherwise wouldn't be fatal. Recent studies of afflicted youngsters in Mexico seem to show permanent damage to the central nervous system.

"The listlessness and apathy of some people in underdeveloped countries may be in direct consequence of infantile protein malnutrition," theorizes Max Milner, an AID biochemist.

Some nutritionists, concerned that life-saving protein nourishment will cause a sudden population bulge in already-crowded regions of the globe, warn that birth control measures must grow apace. Aaron M. Altschul, who heads the Agriculture Department's share of the anti-kwashiorkor campaign, doesn't disagree but contends that better diet actually will "reduce population pressure in countries like Libya where a mother must give birth to five sons in order to have one live to support her in her old age." Mr. Altschul also argues that sufficient protein intake is essential if farmers abroad are to be healthy and alert enough to adopt needed agricultural techniques like intensive fertilizer use.

Counting on Cereals

As diet-conscious Americans know, meat, milk and eggs offer high concentrations of protein. But because of the needed investments in feed, processing equipment or both, only the wealthier nations can afford them in the quantities needed to make inroads against kwashiorkor. (The average U.S. diet provides about 90 grams of protein daily, 70% derived from animal sources; in Pakistan, protein intake averages a skimpy 45 grams, only 12% of it from animal sources.) So U.S. planners are counting on common cereals like wheat, corn and rice, all diet mainstays in kwashiorkor-affected regions, to provide the needed protein.

Such cereals contain the nine essential amino acids; but because one of them, lysine, is present in too small quantities naturally, the utilization of the other eight is limited. So the needed amount must be added. Lysine, a nitrogen compound produced by a fermentation process, already is used to provide the "high protein" content of certain breads and breakfast foods sold in this country; it can do much the same for national dishes abroad. Though lysine-reinforced wheat can't match milk or meat for protein quality, it comes close to protein standards established by the United Nations' Food and Agriculture Organization.

Government nutrition planners hope the mass test with protein-supplemented wheat in India will provide the first definite information about its benefits in actual human diets.

Initially, the experiment will employ U.S.-milled wheat flour to which lysine as well as calcium and vitamins have been added. Distribution would be confined to one or more Indian cities where U.S. flour already is being consumed—usually in the form of chapatis, India's traditional hand-shaped patty. Later on, unmilled wheat would be used, possibly by mixing with it supplementation capsules shaped and colored to resemble wheat kernels. This wheat would be shipped to isolated interior villages for grinding into flour.

Measurements Planned

"From the standpoint of food research, India is an advanced country," says an AID nutritionist. "With the help of local technologists, we'll be able to get precise measurements for the first time on weight gains, tissue changes and other biochemical results in defined groups of people eating supplemented and non-supplemented wheat."

Successful wheat supplementation obviously would cause a sharp jump in lysine production. Merck & Co., Inc., and a Japanese concern now are believed to account for nearly all the world's estimated annual output of 12 million pounds. Judging by prospective supplementation of the approximately 16 million tons of wheat yearly the U.S. is shipping to foreign aid recipients, demand for this amino acid eventually could zoom as high as 90 million pounds annually. Besides Merck, several major U.S. chemical companies, including FMC Corp. and Union Carbide Corp., have indicated interest in supplying the additional lysine needed.

High-ranking executives of 10 leading U.S. food companies, for their part, pledged their support of the protein drive at a meeting with AID and Agriculture Department officials at Harvard Business School last month. A number of the conference participants already are surveying prospects for launching low-cost protein products in needy areas. General Foods is considering marketing in a Latin American country a blended food that would include its patented fish flour.

Quaker Oats, however, seems first in line for receiving Government help in the protein push. For the past three years, a Colombian subsidiary, Productos Quaker, S.A., has been marketing Incaparina, a blend of corn, cottonseed and soybean flours plus yeast, calcium carbonate and vitamin A. Government officials view the effort as a model for other American companies and are eager to support it.

Test in Guatemala

The Incaparina formula is one of several cereal blends developed by the Institute of Nutrition of Central America and Panama (INCAP). The cottonseed and soybean flours themselves are rich in the essential amino acids and also provide extra lysine to unlock the corn protein. A test in Guatemala showed that 75 grams of Incaparina daily raised average protein intake for children two to three years old from less than 60% of the recommended level to 110%.

Like corn meal, which it resembles, Incaparina can be used to make colada, the traditional thin gruel of Colombia, as well as other dishes calling for corn. It's quite a bargain too; one glass costing only one-third of a U.S. cent matches the nutritional value of five-cents-a-glass powdered milk.

So far, though, Colombians are buying only half the 2,000 tons of Incaparina Quaker Oats figures it must sell annually to repay its investment and yield a modest profit.

"We've distributed samples at health centers, and made heavy use of radio and sound-truck advertisements," says A. J. Dimino, the company's vice president for Latin America. "Most of the people willing to try it become customers. But at the lowest economic and educational levels we're trying to reach, it's very difficult to change food habits even enough to accept a free sample." Such an experience with a nutritious food that undernourished people refuse to buy is common in less-developed regions of the world.

Quaker Oats believes that with \$150,000 a year in AID assistance over a three-year period, it could boost Incaparina sales in Colombia to profitable levels and perhaps as high as 5,000 tons yearly. Assuming the Colombian government agrees, AID officials envision donating soybean and cottonseed flour to Colombia in amounts equivalent to the annual dollar figure requested by Quaker Oats. The Latin country in turn would sell the commodities to Productos Quaker for pesos which would be set aside for further promotion efforts and for purchases of Incaparina for free distribution to schools, hospitals and villages.

July 9, 1966

INDIA TO GET MORE U.S. AID

150 Million Will Be Used To
Buy Goods In America

By PHILIP POTTER

[Washington Bureau of The Sun]

Washington, July 8—The United States primed the Indian economy today with another \$150,000,000 loan to finance purchase of spare parts, raw materials and other items to spark development in the world's largest democracy.

The loan was announced by William B. Macomber, Jr., head of the Near East and South Asia section of the Agency for International Development, who said it marked "resumption" of normal American aid for India in the wake of the India-Pakistan conflict of last fall. The United States at that time terminated military aid to both countries and suspended economic assistance.

"Peace Has Returned"

"During the past six months," Macomber said, "peace has returned to the South Asian subcontinent and the Government of India is going forward with national development under plans that show great promise."

In actuality the United States resumed economic aid to India as long ago as last December, when a \$50,000,000 loan to finance fertilizer imports was made. At the same time the United States stepped up food shipments under the Food for Peace program to meet serious food shortages in India.

Last Spring, coincident with Vice President Humphrey's visit to New Delhi, AID announced another \$100,000,000 loan to India to finance the import of commodities vitally needed to keep industry running. This is known as non-project aid (that is, tied to no specific project and available to meet costs of any vital imports).

It has been estimated by the World Bank, sponsor of a consortium that has been extending aid to India, that New Delhi will need \$900,000,000 in foreign aid of the non-project variety this fiscal year as a cushion for a program of liberalization designed to stimulate economic growth. The Indian fiscal year runs from April 1 of one year to March 31 of the next.

In addition to the \$250,000,000 in non-project aid which the United States now has made available, Washington is expected to make another contribution after Congress has acted on the pending foreign assistance appropriation.

In general, the United States in the past has put up about 42 per cent of the consortium aid made available to India. On that basis New Delhi anticipates about \$380,000,000 in non-project aid from the United States this fiscal year, or \$130,000,000 more.

In line with World Bank recommendations, India has not only devalued its currency, but has selectively eased controls on imports and relaxed many of the other Government controls that had hampered private initiative since India became an independent country in 1947.

Investment Welcomed

Although the present Government of Mrs. Indira Gandhi still is giving lip service to the "socialist" economic doctrines of her late father, Jawaharlal Nehru, the private sector of the Indian economy is now getting more Government encouragement than it has ever had.

Private foreign investment, for instance, now is being welcomed in fertilizer, chemical and other industries where technical and marketing know-how as well as capital is needed. Hitherto India had sought to keep the fertilizer industry largely in Government hands, discouraging private enterprise in the field with controls over price and marketing. These now have been drastically relaxed.

The goods to be financed by the new United States loan, which comes from foreign aid funds appropriated by Congress for the fiscal year ending last June 30, will be purchased in the United States and imported through commercial trade channels.

July 9, 1966

U.S. GRANTS INDIA \$150-MILLION AID

Loan to Finance Imports Is First Part of Expected 10-Nation Assistance

By J. ANTHONY LUKAS

Special to The New York Times

NEW DELHI, July 8.—The United States agreed today to provide India with \$150-million for imports of raw materials, components and spare parts.

This was the first commodity loan the United States had made to India since Washington announced resumption of full economic assistance to India and Pakistan last month. The United States had suspended aid after the two countries became involved in war last September.

The loan is also the first assistance from any country designed to finance the Indian program of expanded and liberalized imports announced June 21.

Although the aid was welcome here, today's agreement was a fresh sign that all was not going quite as expected in the efforts by the International Bank for Reconstruction and Development to round up aid to finance the Indian import liberalization. Three weeks ago, the bank appeared to be on the brink of announcing \$900-million in commodity assistance from the 10-nation Aid India Consortium. Since then, however, snags have developed.

West Germany and Japan, for different reasons, have delayed making their pledges. This development, in turn, has made other countries reluctant to set the final amount of their aid.

Indian and American officials here express confidence that the World Bank will ultimately succeed in raising the expected \$900-million.

However, they believe it may now take several months for the full sum to be rounded up. The West German pledge must be approved by the budget committee of Parliament, which does not meet again until September.

Individual Announcements Due

Therefore, the consortium members are now expected to announce their loans individually when they are ready without waiting for a single announcement of the full amount by the bank. Today's signing of the United States loan was the first installment in this series.

Observers here regard this as unfortunate. The bank's failure to deliver the \$900-million pledge when expected has damaged its prestige and caused some Indians to question its ability to meet its verbal commitments.

Indian officials say they undertook the highly controversial devaluation of the rupee and the linked liberalization of imports on the understanding that the \$900-million needed to finance these steps would be announced during June.

Officials believe the delay in rounding up the full amount will not cause much damage to the economy because the American funds made available today and other loans expected soon will probably be enough to pay for imports now being licensed.

However they warn that the remaining loans must be forthcoming early this fall or India will find it difficult to meet the cost of further imports under the liberalized program.

Meanwhile, the Indian Government announced today a delicensing of two more industries—newsprint and hand tools—as part of its continuing effort to ease controls on the economy.

Delicensing means that persons who want to set up factories in these fields no longer need to apply to the Government for a license to do so. Eleven industries were delicensed last May.

The Government also announced that it had accepted several other recommendations by an expert committee for removing and simplifying licensing and industrial development procedures.

Such easing of controls was one of the steps that the United States and the World Bank have been urging India to take as a precondition for increased aid. However, today's steps were minor ones compared with the two basic decisions—devaluation and liberalization of imports—taken last month.

2d Loan Installment

The \$150-million American loan signed today is the second part of what is expected to be about a \$380-million United States pledge for commodity assistance.

The first part—\$100-million—was announced here by Vice President Humphrey in February and signed in May.

Today's \$150-million was all that could be made available now because it was all the money left for India in the Agency for International Development's budget for the 1966 fiscal year.

The loan was authorized June 29, just slipping under the deadline for the end of the fiscal year.

Today's loan will provide foreign exchange for such imports as tinplate, flat steel products, special and alloy steel, spare parts for machinery, vehicles and construction equipment, nonferrous metals, newsprint, fertilizers, pesticides and lubricants.

Besides the United States and the World Bank, the members of the Aid India Consortium are Australia, Belgium, Britain, Canada, France, West Germany, Italy, Japan and the Netherlands.

U. S. WILL PRESS WIDER FOOD HELP

Rusk Will Lead Effort This
Week at 16-Nation Parley

By WILLIAM M. BLAIR

Special to The New York Times

WASHINGTON, July 17—The United States will make a major effort this week to induce industrial countries to provide more help in the food and agriculture problems of developing countries.

This effort will be made during the annual two-day meeting of the Development Assistance Committee, an arm of the Organization for Economic Cooperation and Development. Representatives of the 16 member countries will meet Wednesday and Thursday at the State Department.

American officials said a condition of the first meeting to be held in the United States was that food would be "at the top of the agenda." The previous meetings have been held in Paris.

Secretary of State Dean Rusk will head the United States delegation, which will also include Secretary of Agriculture Orville L. Freeman and David E. Bell, administrator of the Agency for International Development. Vice President Humphrey is scheduled for a major address at the meeting.

President Johnson has made clear that United States food aid will be conditioned on countries' development programs in relation to their food problems. The leading example is India, which has agreed to work toward maximum self-help in agriculture while continuing to receive United States food aid.

Key U.S. Goals

The United States objectives at the meeting, as seen by key officials, are an agreement on the magnitude of the problem and the concurrence on a resolution "that all must get to work on the problem."

The Development Assistance Committee is not an aid group. It concentrates on fact-finding and improving the effectiveness of assistance given by the industrial nations to less developed countries. Its parent body grew out of the Organization for European Economic Cooperation in Western Europe that dealt with the post-World War II reconstruction.

American officials stressed that they were not being critical of the committee's work in the aid field but they pointed out that the United States had put more effort into analyzing world food problems and had extended more food aid.

With populations growing and the food deficit widening throughout the world, the United States seeks to bring the total agricultural resources of the industrial world to bear on the problem, they said. Some countries, they said, can give more direct food aid, but the larger problem involved is encouraging underdeveloped countries to upgrade their own agriculture and food supplies.

This effort involves a host of problems.

Problem of Incentives

For example, there is the problem of incentives to farmers in less developed countries, including price. One high official noted that "farmers of all countries respond to price incentives" and cited Pakistan, where United States aid programs and government price actions have brought about a marked increase in crop production.

Other problems include the necessary technical and scientific research into such factors as fertilizer, water, and credit and marketing arrangements.

United States officials said they hoped that the less developed countries could achieve by 1975, under optimum conditions with the aid of industrial nations in all areas, a sustained growth of at least 4 per cent a year in agricultural production.

The 4 per cent rate, they said, can cut a heavy slice out of the world food deficit.

A new study by the Department of Agriculture estimated that the world wheat deficit now set at 42 million tons by 1975 could be cut to 29 million tons if the projected rate of output increase was reached. By 1980, the study said, the deficit would be reduced to 26 million tons.

Agriculture Department estimates set a world deficit of 88 million tons of wheat by 1985 unless steps are taken to increase production in less developed countries. This would be well above the amount that the United States could produce by then, even by devoting more acreage to wheat and increasing yields. This potential is estimated at 62 million tons.

United States sources said that some countries could provide more food but that the essential point was to provide more capital and technical aid to bring about a "revolution" that would bring less developed countries closer to self-sufficiency.

16 Nations Seek Means to Feed World's Billions

By ORR KELLY
Star Staff Writer

The free world's leading industrial powers will meet here next week at the invitation of the United States to plan ways to perform a major agricultural miracle.

Their goal, simply will be to assure that, within a few years, there will be an adequate supply of food for the billions of persons in the world's underdeveloped nations who now go to bed hungry every night.

High-ranking U.S. officials have become convinced that closing the gap between food supply and demand is not only one of the world's major problems, but that it is possible to close the gap if the highly developed nations of the world pool their resources.

In keeping with this goal, the United States is now in the process of making a major policy change. Under the Food for Freedom bill, which has passed the House and is pending in the Senate, the United States will switch over from a policy of sending its food surpluses abroad to a policy of deliberately producing enough to meet the world demand for such basic foods as wheat.

Basic Problem

Meeting in the State Department here Wednesday and Thursday will be the 16 members of the Development Assistance Committee of the Organization for Economic Cooperation and Development, the successor to an agency set up after World War II to aid in the recovery of Europe from effects of the war.

Figures that will be shown to the representatives of the other countries next week indicate that—despite the expected increase in world population—the food situation is far from hopeless.

The basic problem is this: People who live in countries containing two-thirds of the world population have average diets 10 percent below the minimum standards for good health.

Excluding mainland China, these people live in an arc extending from just south of Japan to just east of Israel; in all but the southern tip of Africa, and in much of Latin America.

In the 1930s, these countries were exporting food. Last year, they imported 20 million to 21 million tons of grain.

But, U.S. officials have calculated, the United States can fill in the good gap in these countries for the next 10 to 15 years by gradually putting back into production about 50 million acres of idle farmland.

High Growth Sought

But the gap will begin to open up again by 1985, when the spread between production and demand will be 88 million tons.

The miracle that United States officials think can be performed will be to boost the food production of the underdeveloped nations so that they can fill this gap themselves.

To accomplish this miracle, these countries will have to increase their production by an average of 4 percent a year, compared with an average rate of growth now of 2.8 percent.

The 4 percent growth rate, U.S. officials admit, is very high—higher even than the United States, with all its technological and human resources, has been able to maintain.

But such a growth rate is possible. By a deliberate effort, beginning about five years ago, Pakistan has been able to reach and maintain such a growth rate.

NEEDED: MORE BREADBASKETS

While American farmers were turning out food surpluses that cost the taxpayers a mint just to store away for a rainy day, it made some sense for Uncle Sam to play free supermarket for the world's overpopulated and underproductive countries.

But now our surpluses are dwindling. Help has to come from elsewhere. The smart place to get it is in the poor countries themselves—by aiding them, even prodding them, to grow more of their own food.

That's what Secretary of State Rusk and a couple of his top-level colleagues hope to get across to the 16-nation Development Assistance Committee that meets in Washington this week. These industrialized Western countries have plenty of agricultural know-how. Now they'll be urged to export it and put it to use vigorously where it's really needed.

President Johnson has started putting strings on outright U. S. food aid. The next step apparently is to enlist other well-off countries as helpers on self-help projects in the poor ones.

It's all logical. With populations exploding, the traditional breadbaskets like the U. S., Canada, Australia, and a few others can't keep up. Also, a lot of poor countries just aren't ready for the big-scale "economic development" stuff we've been giving them. For farming, they are. A shift is on in foreign aid, and we'll bet it shows that aid with self-help is the best kind.

Time to Export The Know-How

Johnson Proposal for Indian Foundation Shelved

U.S. Agrees to 'Set Aside' the Project for Time Being

By J. ANTHONY LUKAS

Special to The New York Times

NEW DELHI, July 27—President Johnson's proposal for an Indian-American foundation has quietly been shelved for the time being to avoid further embarrassment to Prime Minister Indira Gandhi's embattled Government.

Reliable sources said today that by mutual consent the two Governments had "set aside" the project, which aroused strong opposition here when it was announced some months ago.

The sources insisted that the foundation was not being dropped and would eventually be established. However, they said they could not predict when this might be.

Some observers believe the foundation will be allowed to rest quietly on the back shelf until after the general election next February.

A \$300-Million Endowment

The foundation was formally proposed by President Johnson March 28 during Mrs. Gandhi's visit to Washington as a means of using American-owned rupees to "promote progress in all fields of learning" in India. The President suggested that the foundation be endowed with \$300-million in rupees earned through the sale of food under the American Food for Peace program.

Mrs. Gandhi welcomed the President's proposal, but the project immediately ran into a storm of opposition here.

Fifty-four professors at Delhi University objected because they said the foundation would mean foreign involvement in Indian education policy and would undermine "the system of values we cherish." Other professors, writers and intellectuals joined the protest.

The left wing, both within and outside Mrs. Gandhi's ruling Congress party, also seized on the issue as new evidence that the Prime Minister was abandoning India's socialist path under American pressure.

Some critics even suggested



Der Stern from Black Star

Mrs. Indira Gandhi

that the foundation would serve as a cover for the activities of the Central Intelligence Agency.

Mrs. Gandhi adhered to the project in principle, but her aides sought some formula that would make it more palatable to those with honest reservations.

Among the formulas strongly considered by the Government was one that would make both the chairman and the executive director of the foundation Indians for at least the first five years.

Under the original proposal, the chairman was to be an Indian and the director an American and they were to alternate every five years. The foundation was to be governed by an 18-man board of directors, half of them Americans.

Indian sources said today that the Government would probably ask at least this change in

Acts to Avoid Embarrassing Mrs. Gandhi's Regime

the American proposal. They added that the full Indian position had not crystalized yet.

"We've had so many other things on our minds we just haven't had time to do any serious thinking about the foundation for some time," one official said.

This is another way of saying that Mrs. Gandhi sees no point in waving another red flag before her critics at this point.

She is already under sharp attack from the Opposition and many members of her own party for having agreed to the devaluation of the rupee last month, partly under pressure from the United States and the International Bank for Reconstruction and Development.

U.S. Prepared to Wait

The United States has taken an understanding view of Mrs. Gandhi's unwillingness to push ahead with the foundation. Washington does not want to make her job any more difficult and is prepared to wait until she thinks she can pick up the project again.

The subject of the foundation came up today in Parliament when the Minister of Education, M. C. Chagla, answered a series of questions about it.

He said the foundation would never be permitted to put through policies that ran counter to national policy.

"Nor will we permit any American influence to be injected into our culture or our way of life," he added.

M.A.L.

July 31, 1966

U.S. TACKLES NEED TO FEED WORLD

Shortages Prompt National
Security Council Action

By WILLIAM M. BLAIR

Special to The New York Times

WASHINGTON, July 30 —

The National Security Council has been ordered to study the world food problem as the United States finds itself in a new and unfamiliar agricultural position.

The new role is one of wrestling with fewer supplies of essential foods rather than the surpluses that have in the past fed hungry areas of the world.

President Johnson called the council together recently with food as the sole topic — the first time in memory here that the council attacked the problem on a broad scale.

He made it clear to the council that food, education and health were major problems in the foreign affairs area, and that he expected concentrated study and policy direction in these areas.

The National Security Council's effort is one of several Administration attempts to deal with the food problem, which some authorities believe is reaching the crisis stage. Some experts believe the crisis may have already begun as populations outrace productive capacity, particularly in less-developed countries.

Vice President Humphrey and Secretary of Agriculture Orville L. Freeman have also been directed to put their staffs to work on the problem.

Western Nations Pressed

The possible crisis officials see is a major reason for prodding Western industrial nations to help face the emergencies in developing countries because the United States alone can no longer cope with them. In public and private meetings recently, the Administration has pressed this point with representatives of the 15-nation Development Assistance Committee, an arm of the Organization for Economic Cooperation and Development based in Paris.

Mr. Humphrey, who was instrumental in getting the committee to meet in Washington, its first session outside of Paris, was understood to have privately told some members that the United States could no longer be the food warehouse for the world while other countries continued to increase commercial sales at the expense of United States markets.

The United States effort is now directed at providing more technical aid to developing countries to push upward sharply the productivity of those countries. Until a few years ago food production increased about 2 per cent a year, keeping abreast of an annual 2 per cent increase in population. In the last four years, however, production has been increasing at a rate of about 1 per cent yearly, the world population at 3 per cent.

The domestic supply situation was pointed up this week with a Government survey on stocks of wheat, livestock feed grains and soybeans.

Wheat stocks have dipped to the lowest level in 14 years. Corn reserves are at the lowest level in 10 years.

As of July 1, wheat stocks totaled 536 million bushels, a third less than a year ago and 14 million bushels less than the Government had been counting on. This means that wheat reserves are below the 600 million bushels that officials have considered a safe level in the past. An average of 500 million bushels are consumed domestically.

Demands between now and July 1, 1967, could pull the level below 400 million bushels, a situation the Administration hopes to remedy by increasing acreage under Federal allotments. The President directed a 15 per cent increase in the winter wheat crop to be planted this fall to gain 200 million more bushels.

Another increase in wheat acreage is under consideration to meet domestic demands and foreign aid commitments. This may be announced soon.

The situation presents a stark contrast with 1961, when the wheat surplus level, including an annual reserve, climbed to 1.4 million bushels.

Estimated carry-over of livestock feed gains on Oct. 1 is set at 55 million tons, about a four-month supply. Mr. Humphrey said the other day that "this is no excess at all," rather that it was "on the borderline of a shortage."

Corn stocks were down on July 1 to a level 6 per cent below a year ago and 26 per cent below average. Total stocks of the four major grains that make up the raw material for livestock—corn, oats, barley and sorghum—were down 8 per cent from a year ago.

Other Supplies Down

Stocks of soybeans are down to a four-month supply. Production of milk has dropped to what some officials consider alarming levels as dairy farmers continue to go out of business and the slaughter of cows continues at a high rate under the imace of good beef prices.

The delicate problem facing the government is to adjust acreages to produce an adequate supply of essential commodities, including a safe carry-over to guard against disasters, without renewing surplus output.

At the same time, the Government is watching consumer food prices. Recent increases in bread and milk prices brought this week a demand that the Senate Agriculture Committee take a hard look at rising prices that some farm members of in view of the producers' take from price increases.

August 5, 1966

U.S. CUTTING BACK WHEATAIDABROAD

McGovern Urges Expanded Food Output for Peace

Special to The New York Times

WASHINGTON, Aug. 4 —

The United States has informed its embassies abroad that 25 per cent less wheat will be available in foreign aid programs this year and that recipient countries should be encouraged not to ask for more of the food grain.

Officials in the State Department and in the Food for Peace program confirmed this after Senator George S. McGovern, Democrat of South Dakota, told the Senate of the message.

Senator McGovern, supported by several other wheat-state members called for another increase in acreage under Federal controls and for the rebuilding of other essential food stocks now in short supply.

A State Department spokesman said: "The thrust [of the message] is to let them know of the short supply and to be guided accordingly in dealings with foreign officials."

The Senator explained his view.

"If we are to meet our world obligations," the Senator said, "we must cease to pay out money to idle production on land which should be producing food to maintain and expand our food for peace effort."

"Wheat acreage should be expanded and producers offered a sufficient return on expanded production to give them the necessary incentive to plant and to harvest that additional acreage," he advised.

Senator McGovern said that less-developed nations receiving foreign aid had not been told that other essential foodstuffs also were in low supply.

These foods include dry milk, a high-protein item; cheese, butter and feed grains. There are no significant supplies of dry milk on hand, he said, except for supplies going to volunteer agencies for shipment abroad.

Agencies 'Face Cuts'

These agencies, he said, "face cuts," adding that no cheese was available, less than 500,000 pounds of butter was in the Government larder and grain stocks had been reduced to less than a four months' supply.

The embassies had been informed, he said, that only 11.2 million tons of wheat would be available for foreign aid in the 1966-67 marketing year, 25 per cent less than in the 1965-66 period.

The Administration has directed a 15 per cent increase in the Federal Wheat acreage allotment to gain an estimated 200 million more bushels bolster domestic and foreign supplies next year. It is considering another increase, probably 10 per cent to reap about 100 million more bushels.

A decision is being held up pending a final report on this year's harvest this month and the effect of the monsoons in India's wheat crop.

At the same time, some members of Congress from wheat-producing states have become concerned about the effect of another wheat acreage increase on the present strong wheat prices, which have been at levels above Federal price supports.

They fear a depressing effect on prices, a concern shared in some Administration quarters because of farmer unrest over Administration efforts to combat inflation by seeking lower prices. This could have a political effect in the fall Congress-

August 22, 1966

U. S. FOOD AND FAMINES

The current (August) issue of the Reader's Digest carries several very meaty articles—of which the meatiest for our money, and no pun intended, is one by Dr. N. R. Danielian of the International Economic Policy Association, entitled "To Win the Fight Against World Starvation."

Dr. Danielian addresses his remarks to the facts that world food production is falling behind population increases in Latin America, Africa and non-Red Asia; that U. S. food production cannot plug this gap indefinitely; and that terrible famines in the 1970's are now probable.

Our Food for Peace program was set up in 1954 by the Eisenhower Administration, to funnel surplus U. S. food to needy areas. It has cost us \$12 billion up to now, and currently is running at a \$2 billion-a-year clip.

Yet famine continues to threaten large parts of the world—notably India. What's the matter, and can the situation be improved? Dr. Danielian thinks it can.

India's government, he says, is made up largely of politicians wedded to Socialism. They are ambitious to build up industries, mostly government-owned, and they neglect agriculture in the rosy belief that Uncle Sam will continue to feed millions of their people indefinitely.

Uncle Sam can't do that—and, for the sake of the Indian people's eventual self-reliance, he shouldn't.

What he should do, says Danielian, is to insist that the Indian government, among other riders of the U. S. gravy train, push its agricultural development as vigorously as it can, and slow down on grandiose but inedible factories, steel mills, etc. Should India balk, its supplies of U. S. food should be cut down or cut off until it complies. The same should go for many other countries on our food list.

Considering that our own wheat reserves are now a bit below the domestic danger point, we think the Danielian proposal should become settled U. S. policy without delay, and should be persisted in for as long as may be necessary and without regard to the caterwaulings of bleeding hearts.

How about it, White House and Congress?

Administration Food-for-Freedom Program Is Trimmed by \$1.6 Billion by Senate Panel

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON — The Senate Agriculture Committee voted to put President Johnson's Food-for-Freedom bill on a diet. It pared \$800 million a year, or a total of \$1.6 billion, from the House-passed two-year program, and tacked on unsought restrictions on disposal of food abroad.

The committee even changed the name of the measure back to Food for Peace, the nickname of the parent program under which food is sent to poor nations for local currencies or easy-term dollar loans.

The House this spring had agreed to give the Administration more or less what it sought in a new effort to revamp the surplus-food disposal system. The House-passed bill would extend the basic program for two more years after it expires Dec. 31, authorizing the Agriculture Department to spend up to \$3.3 billion each year to subsidize foreign-currency sales, easy-dollar loans and donations.

The Senate farm panel yesterday voted to chop \$800 million from each year's total, limiting the department to \$2.5 billion for food-disposal expenses in each of the two years.

Most food shipments traditionally have involved a "sale" for the recipient nation's own currency, a portion of which is loaned back to the foreign government for local uplift projects. The Administration sought to channel an increasing percentage of shipments to countries that first agreed to stimulate their own food production instead of relying on U.S. surpluses, and it encouraged recipient countries to pay for the food in dollars. To assist in these payments, the Administration sought authority to sell the food on loans of up to 40 years with a 10-year waiver on initial repayments. The 40-year loan authority was included in the House bill.

But the Senate committee, by a vote of 12 to 2, cut the maximum loan period back to 20 years with a two-year waiver on initial repayments.

The committee's money cuts and loan restrictions may be challenged when the measure comes to the Senate floor, probably later this week.

The Senate committee didn't totally rewrite the House bill, however. It left intact House provisions authorizing the Agriculture Department to insist on food-shipment contracts that spell out how the recipient countries intend to bolster local food production. The committee also endorsed a birth-control plan inserted by the House on its own initiative; the bill calls on the Agriculture Department to encourage recipient countries to undertake population-control programs and to make some U.S. financial help available for this purpose if requested.

The Administration has been unhappy about provisions in the House bill forbidding food shipments to countries that trade with North Vietnam or Cuba, a restriction that could apply to such important beneficiaries as India. The Senate committee agreed to insert what has come to be the standard Senate loophole for such House restrictions, a clause saying food shipments in such cases would be permitted if the President declares it in the national interest.

Though the Agriculture Committee dealt

roughly with parts of the President's original plan for overhauling the food-disposal program, it could have been worse. Sen. Ellender (D., La.), chairman of the Agriculture Committee, has been grumbling that an expanded overseas food-disposal program could generate U.S. production of new farm surpluses, just when supply and demand for many commodities at long last seems to be coming into balance.

At one point the Senate committee was on the verge of forbidding Food-for-Peace shipments if the disposal would tend to encourage higher U.S. farm output. At the strong urging of the Administration the language was changed merely to forbid food disposals that would cause a shortage of commodities in relation to domestic demand and anticipated normal dollar export sales. Committee sources said it isn't clear whether the new language could take some commodities off of the eligible list for Food-for-Peace disposals.

The Administration had originally sought authority for the Agriculture Department to maintain Government reserve stocks of essential foods and fibers equal to about a one-year supply. The House rejected this, providing only that the department try to keep reserves of price-supported crops at 25% of annual U.S. requirements. If stocks fall below that level, the Government would have to raise the minimum price at which the stockpiles could be sold to 115% of the Federal price-support level, compared with the current floor of 105%.

The Senate committee tinkered further with this House rule, changing to 120% the price at which Federal stockpiles could be sold if supplies dipped below 25% of annual estimated requirements. And in the case of wheat, the committee provided that the 120% resale price be charged any time reserve supplies fall below 35% of estimated needs.

Food Woes Call For Cooperation

The United States has come to an agricultural problem which is likely to become more common as the world's population increases faster than the production of food. This is a case where demand is growing but markets are not growing. That is, many of the nations that need food cannot pay for it, but the need is something that cannot be ignored.

There are humanitarian reasons, and if they are not enough there is the fact that nations of hungry people are not going to be very reasonable about keeping the peace. Some that are well-fed are not reasonable, either, but they could be. Unless the food-producing nations manage somehow to reverse the widening of the gap between population and food production we will have a world of such turmoil that what there is will be destroyed.

The ideal solution, and one that ought to be sought, is that increasing the scope and the efficiency of food-producing efforts. This includes getting food-short countries to raising more of their own. The world could be working at this, but it cannot wait for it. It looks to the big food-producers like the United States, Canada, Australia and Argentina to supply the needy.

A large part of the land area of the world is not producing what it ought to produce, and a large part of the world's farm labor potential is not working as it ought to work to

raise grain, vegetables, fruit, dairy and poultry products and meat. Significant reductions have come about where repressive political systems have ruined the incentive to labor, to invest and to use the imagination to improve methods.

The United States and other capitalist countries have shown by example the error of these systems. For years the American farmers have had to restrict their production because the markets could not absorb what the American farms could supply. But foreign aid, which helps the farmer's market only as the American taxpayers furnish the money, is reducing the surpluses that have piled up over many years.

This country can raise more wheat than it now raises. It has the land, the equipment and the people who know how. It has the demand but not the money market. But even if the American taxpayers were willing to shoulder the burden of feeding the world their efforts would not be enough.

It is not and should not be a problem for America alone. It ought not to be a problem for the capitalist countries alone. If the problem keeps growing it will become so pressing that it will overshadow all others.

The United States already has taken some action to increase its wheat acreage, but it is time for some close arrangements with others who can share the burden and help with getting the non-producers to producing.

Food Aid Policy

With Senate passage of the revised Food for Peace bill, both houses of Congress now have approved a radically new concept for American aid in feeding a hungry world.

Instead of giving away surpluses, the new program calls for planned production of food for foreign aid. Instead of trying to hold down production at home and abroad, the emphasis now is on stimulating farm yield in the developing nations and increasing American output, to the extent necessary, to close the gap. All this because food needs are rising everywhere—most rapidly in the poor countries—just as American surpluses have finally disappeared.

"We are beginning the most complex farm policy period in our history," Under Secretary of Agriculture John Schnittker said last week. "Decisions by United States farmers and program administrators must be geared to domestic and export markets and to food aid as far as thirty months ahead."

The new Food for Peace bill is intended to provide new financing and other mechanisms for this task. It will do so far more effectively if the Senate-House conference acts wisely now to excise the restrictive amendments each house inserted. For the future, the critical question is whether Washington's "program administrators" will make the right decisions and make them sufficiently well in advance. The shortages now developing—which have lifted farm prices 9 per cent in a year and 2 per cent in the midst of the current harvest—indicate that such foresight has been inadequate in the past.

Despite the strong defense of Administration food policy Secretary Freeman makes in a letter on this page today, the recent increases in wheat acreage will not augment supplies until next spring. It will take even longer to ease the tightness in food grains, soybeans, cheese, butter and dry milk, an important high-protein item in aid programs.

To help meanwhile, American reserves can be drawn down, for they are large, as Mr. Freeman says. Unfortunately, they are not large enough—or it would not be necessary to inform American embassies abroad that wheat aid this year will be cut back 25 per cent.

"We had far better risk having too much food in our warehouses than too little," President Kennedy's Food for Peace Administrator told the Senate last week. It is wise counsel for a program that, in effect, substitutes production planning for the ever-normal granary the United States has hitherto maintained for the world.

New food-aid program combines fa

By Josephine Ripley
Staff correspondent of
The Christian Science Monitor

Washington

The United States is about to embark on a revolutionary new Food for Peace program, one bound to have a profound effect on farm policy at home as well as abroad.

The administration says it is all for the best, or more precisely, the better. Congress agrees, both houses having given the program their approval, although not in precisely the same language.

Differences will be ironed out in conference, but the basic program will be the same.

It embodies two new concepts.

In the first place, Food for Peace (or Food for Freedom, as President Johnson prefers it) will no longer be provided out of American surpluses — even should there be any.

Instead, the United States will plan for and grow the necessary supplies.

This is a radical new concept in farm policy.

The current lack of surpluses (except in tobacco and cotton) makes this an obvious move now, but the plan was devised many months ago.

The second far-reaching innovation con-

tained in the program is the provision for self-help, indeed the requirement of it, as a prerequisite for aid.

Food for Peace thus takes on a broader meaning and a stronger one. Nations receiving food supplies under the new program must give evidence of plans or intention to develop their own food production.

They must meet this requirement to be eligible not only for food but for technical assistance and other types of economic aid.

Return-to-farm emphasis

Behind this hard-fisted rule is the specter of world famine in the future unless food-deficient nations begin to grow their own more abundantly.

Also, there has been a tendency in some nations to depend on American food supplies so they can devote their means primarily to industrial development.

On the home front, this new concept of food aid, or Food for Peace, has profound significance.

Undersecretary of Agriculture John A. Schnittker said recently:

"We are beginning the most complex farm policy period in our history as a result of the link now being forged between domestic farm policy and food assistance programs.

"Today's decision by United States farmers and program administrators must be

geared to domestic and export markets and to food aid needs as far as 30 months ahead."

It will be the responsibility of the Secretary of Agriculture, under the new system, to establish acreage allotments that will take into account not only domestic and commercial export requirements but the needs of nations under the Food for Peace program.

This is an awesome task in view of the shifting needs of the world and unpredictability of growing conditions. Nor is it clear what effect Food for Peace purchases may have on market prices.

Regardless of all this, Food for Peace has become an increasingly potent instrument of foreign policy. President Johnson thinks of it as Food for Freedom and called it that.

The House went along with the idea, but the Senate stuck with the old slogan.

Gradual payment shift

Probably most Americans think of Food for Peace shipments as giveaways. Actually they are not. The only food given away are donations made in case of famine or other extreme emergency. They comprise a small part of the shipments.

Otherwise payments are made either in local currencies or in dollars. There has been a gradual shift to dollar sales on long-term credit.

THE CHRISTIAN SCIENCE MONITOR

'Whose clock am I?'

When is a kitchen clock not a kitchen clock? When it has been verified as an antique by its proud discoverers and, consequently, promoted to dignified social status in the living room. Of course, no criticism is intended, here, of modern electrical clocks pretty on the kitchen wall. But in the nature of things such kitchen clocks may not graduate to the living room. They are what they are.

Other issues may prove more troublesome, such as the House restriction which would limit Food for Peace to "free countries," unnamed — or the Senate attempt to link the food program to the balance-of-payments problem and try to recoup tourist dollars through it.

Surplus-disposal feature

The program had its origin in 1954 in the Agricultural Trade Development and Assistance Act of 1954, also known as Public Law 480 as well as Food for Peace.

It was financed at that time by a three-year, billion dollar authorization.

For a long time, it was actually a surplus-

FOREIGN AID CUT, PASSED BY SENATE

3 Major Reductions Slash 110 Million From Bill

By JOSEPH R. L. STERNE
[Washington Bureau of The Sun]

Washington, Oct. 5—The Senate slashed foreign aid another \$110,000,000 today before approving a \$2,936,600,000 appropriation by a vote of 52 to 22.

Managers of the bill were so badly beaten when they tried to combat a \$48,000,000 cut in military assistance that they gave in without a fight on two other reductions.

One halved the \$70,000,000 request of President Johnson for his contingency fund against emergencies; the other reduced the development loan fund by \$27,000,000 to exactly the \$500,000,000 the Senate originally authorized.

To Seek Compromise

Senate and House conferees must now meet to work out a compromise between the Senate measure and the \$3,046,490,500 bill approved in the House.

If the conferees precisely split the difference, they would come up with a bill totaling \$2,990,000,000—the first foreign aid appropriation below the \$3,000,000,000 level in nine years. Original Administration requests totaled \$3,380,000,000.

Far more contentious an issue than money will be the dispute over bilateral versus multilateral lending that the conferees will have to resolve.

At the insistence of the Senate, the foreign aid authorization bill approved earlier this year by Congress directed that a minimum of 10 per cent of the funds allocated for the development loan fund must be channeled through the World Bank and other international organizations.

Fulbright Approach

This was in line with the belief of Senator Fulbright (D., Ark.), Foreign Relations Committee chairman, that such multilateral lending prevents the overseas entanglements produced by nation-to-nation bilateral lending.

The House Appropriations Committee, however, rebelled against the Fulbright approach on the ground that the United States should maintain direct control over loan funds it described as a useful tool in international affairs.

To carry out its views, the House committee inserted in its money bill a provision nullifying the multilateral lending section of the authorization bill. The House as a whole approved.

But at Fulbright's behest, the Senate Appropriations Committee and the Senate as a whole rejected the House action, thereby throwing the whole issue into conference.

Action By Ellender

The Foreign Relations Committee chairman took the floor today to serve notice he would vote against the final appropriations bill (as he did last year) if his multilateral provision is stricken.

In today's floor action, Senator Ellender (D., La.) pushed through the \$48,000,000 military assistance cut with the argument that India and Pakistan should get no American help in this field.

Both nations, he complained, had used American-furnished equipment in the Kashmir war.

Ellender also objected to burgeoning sales of United States military equipment to developing nations in Asia, Latin America and even Africa.

"No wonder we have trouble," he declared. "Selling them military equipment is the last thing we should do . . . the more equipment we make available to emerging nations the more danger we cast upon ourselves."

October 6, 1966

Hunger And Politics

IT is a grave disappointment that India has failed to perform on the promises it made when it asked the U. S. for help in feeding its starving people.

Now India is asking for more food—five million tons, plus an almost certain request for another five million in a few months—and the Administration is properly reluctant to agree to such a sizable extension of the aid, in view of India's poor performance.

India promised it would reform its Socialist-oriented economy and agriculture to improve farm output. It did devalue its currency, as the U. S. recommended, and took some initial steps toward encouraging private foreign investment in fertilizer manufacturing plants.

But this brought violent protest both from within Premier Gandhi's own party, and from her opposition, who charged that she was knuckling under to Washington and abandoning India's traditional socialism.

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As a result, Mrs. Gandhi's government has let negotiations for further private investment lag; failed to correct inefficiencies in the government-owned plants which hold their output far below capacity, and even failed to distribute to farmers fertilizer stocks on hand.

India also has failed to invest sufficient funds in production of new type seeds, and has refused to dismantle government controls on movement of grain from surplus areas to famine areas.

Mrs. Gandhi fears she may be forced from office unless she placates her critics. But hungry peasants could also spell her downfall, and their welfare should come first, regardless of the political cost.

India must reform, at least enough to improve crop harvests so it can feed its own people. For the U. S. cannot go on handing out food indefinitely.

Dirksen Suggests A Break In Food-For-Peace Impasse

By JOSEPH R. L. STERNE
[Washington Bureau of The Sun]

Washington, Oct. 11 — Senator Dirksen (R., Ill.) suggested today that the impasse on Food-for-Peace legislation caused by a House attempt to ban assistance to all countries trading with Cuba or North Vietnam is about to be broken.

Following a Senate Republican Policy Committee meeting, the minority leader said "modifications" in the House language had been worked out.

But House Republicans directly concerned with the measure said talk of a compromise was news to them.

Joint Conference Tomorrow

They planned to consult among themselves before Senate and House conferees meet at 3 P.M. tomorrow for what could be a crucial session on the three-year, \$7,400,000,000 food aid bill.

From Democratic sources, it was learned that the compromise Dirksen evidently had in mind would be a flat ban on food aid only for countries trading with North Vietnam. In the case of nations trading with Cuba, President Johnson would have authority to continue food shipments he deems are in American national interests.

If the House accepts this approach, it would mean that Food-for-Peace programs could continue for India, Pakistan, Brazil, Ceylon, Algeria and other countries that trade with Cuba but not with North Vietnam.

India's Collapse Feared

However, the United Arab Republic, Poland and Yugoslavia might be covered because of their shipments to Haiphong.

Shortly before Dirksen hinted an agreement is in the air, Senator McGovern (D., S.D.) warned in a floor speech that the "dictatorial restriction" approved by the House could lead to the collapse of the Indian Government.

Such a provision, he contended, would place the Indian Prime Minister, Mrs. Indira Gandhi, in a position where she would be under leftist attack that could lead "to the emergence of an anti-American pro-Communist Government."

A former director of the Food-for-Peace program, McGovern said Mrs. Gandhi either would have to swallow national pride by yielding to American terms or allow "starvation (to) run rampant across the Indian subcontinent" by giving up food shipments.

McGovern said it was his hunch that India would reject

American food "rather than submit to our dictation of their international policy."

Administration sources, while agreeing with the main thrust of McGovern's argument, questioned this point. They noted that India already has begun to reduce its sales of burlap bags to Cuba. They said the country's food needs are so great it would have to accept the no-trade restriction if it becomes law.

House Leader Confident

Representative Poage (D., Texas) and Belcher (R., Okla.), who will lead the House delegation to tomorrow's conference, said they too felt sure India would halt trade with Cuba rather than forgo American food aid.

They also disputed McGovern's suggestion that President Johnson might veto a food aid bill containing the tough House language.

McGovern held that the foreign policy difficulties posed by the House language could be so immense that Mr. Johnson would prefer to start anew at the beginning of the 1967 Congress. By that time, the Senator said, farm organizations would be ready to help.

Falling Wheat Prices Noted

But Poage and Belcher said they doubted the President would veto the bill because it contains so many other provisions he has requested and because it could have a depressant effect on wheat prices that already are falling.

The House conferees in their first attempt to work out a compromise with the Senate agreed on language giving the President discretionary authority to continue aid to countries trading with both Cuba and North Vietnam.

But a week ago the House rejected such an arrangement and voted 306 to 61 to instruct the conferees to insist on the original language.

At that point the Administration began to emphasize the half-a-loaf approach of extending the flat ban only against countries trading with North Vietnam.

Dean Rusk, Secretary of State, put it this way in a letter to the Speaker of the House:

"Other countries may understand that we do not want strategic items to go to Cuba; they may understand that we do not want any commodities to go to North Vietnam for any reason; but they will not understand that we should want to keep even foodstuffs and humanitarian products from going to Cuba."

Food for Peace

After months of wrangling the House and the Senate have apparently reached a workable compromise on the \$7.4 billion Food for Peace bill, but the final package is far from ideal.

The Food for Peace bill is the Administration's answer to a new element in today's world, "the threat of mass hunger and starvation." In a special message to Congress Feb. 10 the President pointed out that the hunger problem has suddenly become more acute because of the world population explosion and improved public health measures. The distribution of surpluses will no longer suffice, he said, we must think in terms both of food aid and of a controlled expansion of food production in the developing as well as the developed countries.

The Food for Peace bill—also referred to as the Food for Freedom bill—was intended as the opening gun in a world-wide war on hunger. It was the start of a big humanitarian crusade.

But the lawmakers at times seemed to lose sight of this fact. The House added an amendment that would have prohibited any food aid from going to countries which trade with Cuba or North Vietnam or allow their ships to engage in

such commerce. If enforced, this ban would have cut off aid to India, which is now faced with a major famine, also to Pakistan, Ceylon, Algeria, Morocco, Israel and others, most of whom now have a small trade with Cuba. It would thus have crippled the aid program in the very areas where it is most needed.

The Senate modified the provision so as to permit the President to waive the ban if he determined it to be in the national interest, but the House would not agree to the change. In the final compromise, worked out in conference committee, a waiver would be permitted where countries traded only non-strategic goods to Cuba, but the North Vietnam ban would remain absolute.

This is an arrangement the Administration can live with. Most of the neediest countries can be helped under it. But it still looks bad to use a humanitarian bill in an attempt to blackmail friendly countries into changing their trade policies. The world's hungry should not be made to pay for the sins of their governments.

Next time around we should drop these punitive clauses completely.

LBJ Delays India's New Food Pact

An Apparent Move To Speed Reforms Alarms New Delhi

By Selig S. Harrison
Washington Post Staff Writer

President Johnson has ordered a temporary freeze on new food aid commitments to India in an apparent effort to force the pace of recommended agricultural reforms.

Administration sources said yesterday the White House is holding up final action on an interim 2-million-ton agreement designed to keep up an uninterrupted flow of food shipments. It has been cleared by the Agriculture Department, the State Department and the Agency for International Development.

Alarmed Indian officials have warned that a continuing delay in meeting their 5-month-old request for a new agreement will interrupt grain arrivals on the eve of the February national election — a development that could wreak political havoc for Prime Minister Indira Gandhi.

Threat of Famine

The impending gap in U.S. shipments also could jeopardize efforts to avert a famine in drought-stricken areas of Bihar and Uttar Pradesh states with a population of some 80 million people.

Food shipments from the United States to India during the current year will reach a total of 9 million tons. The last ships booked under existing agreements are scheduled to leave in mid-December.

With U.S. wheat reserves down and population growth unchecked in countries receiving U.S. food aid, the Administration and Congress have both shown a new determination to attach tighter "self-help" strings to future aid. But this was not expected to become a major factor until negotiations began on another long-term agreement with India under the new "Food for Peace" legislation, taking effect next year.

Talking Since July

Pending a long-term agreement with stiffened "self-help" requirements following the Indian election, New Delhi and Washington have been discussing an interim agreement since July to cover the period immediately ahead.

Conclusion of an agreement had been expected for the past several weeks, until a White House aide notified Indian officials several days ago that no decision was imminent.

The Administration has given no official explanation of its decision to withhold action on the pending deal.

Privately, however, officials express dissatisfaction with the failure of the New Delhi government to compel state governments controlling surplus stocks of food to share these stocks with deficit states such as Bihar and Uttar Pradesh.

Another high-priority item on the list of reforms being pushed by the United States and the World Bank is further liberalization of Indian policies toward foreign investors. India is currently resisting World Bank-supported overtures by a consortium of Western chemical and petroleum companies seeking to establish a chain of fertilizer factories based on Middle East raw material sources.

The Administration reportedly feels that India should be seeking more broad-based food aid, not only from Canada and Australia but from the Soviet Union, which has had a bumper 1966 wheat crop.

An important if unstated factor in Administration thinking is the feeling that India should be seeking more broad-based food aid, not only from Canada and Australia but from the Soviet Union, which has had a bumper 1966 wheat crop.

Indian stock has been conspicuously low in Washington since the call for a cessation of the bombing of North Vietnam by Mrs. Gandhi, Marshal Tito and President Nasser in their joint communique in New Delhi on Oct. 25. This came at the height of the President's Asian tour.

However, Secretary Rusk, responding to a question from an Indian newsmen at his Friday press conference, specifically denied that political factors figured in the U.S. approach to the Indian food problem.

The Secretary said that the United States is "disappointed that the drought, which sorely beset India this past year, has been repeated in certain sections of India, with the prospect that next year there will be a food problem." He stated that the United States is giving "urgent attention to India's food needs" but that he could not "give a date when particular decisions will be made."

Rusk added that U.S. representatives are now in India studying the food problem. This was an apparent reference to a mission of several Agriculture Department economists and an expected New Delhi stopover by Dorothy Jacobson, Assistant Secretary of Agriculture for International Affairs.

Since it takes an estimated six weeks to book ships once an agreement is concluded, Indian officials claim that it is already too late to avoid a gap in U.S. shipments.

Administration sources reply that India could book ships in the absence of a commitment and then pay for the food out of its foreign exchange if new food credits on concessional terms fail to materialize. But India, already faced with foreign exchange scarcity, is reluctant to risk possible dollar outlays.

Multilingual India's constitution, with its complex balance of federal and national claims, in a subcontinent of 475 million people, allocates control over agriculture to the states. Advocates of a more centralized system in India have consistently sought to arm New Delhi with greater powers to enforce uniform national food procurement policies and greater cooperation in channeling food from surplus to deficit states.

But the issue is political dynamite in an impoverished country where "surpluses" are relative, and Nehru in his heyday shied away from a direct invasion of states' rights in this area.

United States officials argue that New Delhi could improve the interstate flow of food in

India by revamping its present zonal restrictions on food distribution. They suggest that Indian leaders should find ways to share food more equitably in time of famine if they expect American food help.

November 24, 1966

Food for India

Despite a developing threat of famine in drought-stricken areas of the Ganges plain, the flow of American grain into Indian ports is scheduled to taper off in early January. The Administration has resisted Indian efforts to conclude a new two million ton food agreement in time to keep up the uninterrupted movement of grain. No reason for the delay in concluding a new agreement has been given. However, presidential spokesmen explain that Agriculture Department experts have been sent to evaluate the impact of the second successive year of drought on Indian food needs, and that "any new commitments will depend on the facts which emerge from the study now under way."

If a decision on continued food aid to India really hangs entirely on the report of the current mission, it would seem deplorable that the mission was sent at the eleventh hour when existing agreements were about to lapse. Discussions on a new food aid agreement have been under way for nearly five months. It has been clearly anticipated throughout these negotiations that the last ships booked under existing agreements would leave in mid-December. It has been apparent that any new agreement would have to be concluded at least a month in advance of this expiration date to permit uninterrupted shipments. In effect, a postponed decision was a decision to risk a break in continuity.

The Administration should lose no time in acting on the report of its India mission. Time lost in grain arrivals is also time lost in the use of port unloading facilities which have built-in limits. Thus, the United States would not be able to make up for the impending gap with stepped-up shipments later on because the ports can handle only so much and no more in a given 24-hour cycle. The human costs of a delay could be severe indeed if New Delhi finds itself unable to maintain an adequate flow of grain to areas affected by the drought in Bihar and Uttar Pradesh states.

India obviously can and should do much to improve its food production and distribution. In particular, the central government should make increasingly clear to recalcitrant surplus states that they must share food equitably with deficit states if India expects continued foreign food help. But the appropriate moment for seeking to attach tighter "self-help" strings will come next year when New Delhi and Washington sign a new long-term food aid agreement. The obvious danger in undertaking this sensitive task on the eve of India's national election is that the issue of U.S. food aid could all too easily become a political football in New Delhi. This would not only be damaging to Indo-American relations in the broad sense but could greatly complicate the coming dialogue on the terms of future food aid.

India to Get Interim U.S. Food Aid

By Carroll Kilpatrick
Washington Post Staff Writer

President Johnson is prepared to authorize an interim food-aid commitment to India to meet the immediate problems that country faces, but he is holding up a decision on long-term aid.

A high official said yesterday that "it won't take long" to reach a decision on the interim arrangement to meet India's urgent needs in January and February.

In the last 12 months, the United States has shipped India roughly 11 million tons of grains. The President is convinced that such large shipments cannot be continued indefinitely.

A few weeks ago, Administration officials had approved a plan to authorize the shipment of 2 million additional tons to India to maintain an uninterrupted flow of food shipments.

President Disapproved

But the President refused to approve the plan, much to the alarm of Indian officials.

Mr. Johnson has made it clear that he must have evidence that India is taking

steps to improve its own agriculture, that other countries are increasing their aid to India and that he has congressional approval for his action.

Canada this week indicated that it would be able to send additional shipments of wheat and wheat flour, and yesterday the United Nations Food and Agriculture Organization announced in Rome that it will send 30,000 tons of wheat to India and 15,000 tons to Pakistan to help relieve drought-stricken areas. The FAO aid is valued at about \$4.5 million.

Russian Help Welcome

A high official said this country was delighted that Russia's grain production was up this year. He made it clear that the Administration would like to see Russia help India meet its food needs.

Officials here, recognizing the decline of American grain stocks and the increasing need for grains, are convinced that food production is the number-one requirement for the underdeveloped countries.

They are prepared to aid other countries only if they take dramatic steps to im-

prove their production. The carry-over of grain stocks in the major exporting countries has dropped from 136 million tons in 1961, to less than 70 million today.

A congressional group soon will go to India to study that country's agricultural requirements, and the President will make no long-term commitments until he has the report and also discusses the problem with congressional leaders.

Preliminary Report

An Agriculture Department team has recently been in India and it has sent a preliminary report to Secretary of Agriculture Orville L. Freeman.

Officials appear to be reasonably satisfied with the Indian government's intentions as far as agricultural production is concerned, but they are less satisfied with India's efforts to persuade other nations to shoulder part of the food-aid burden the United States has carried.

In the last six years, world stocks of grain have declined each year, and each year world grain consumption has exceeded production. This

year nearly one-fourth of the U.S. wheat crop is being shipped to India.

Just before World War II, the underdeveloped countries exported about 11 million tons of grain a year. Now, as a high Administration official said yesterday, "the ships are sailing in the other direction." The underdeveloped nations, with their vast population increase, will import about 31 million tons of grain this year,

LBJ Motives Questioned in Indian Grain Delay

By Ajit Bhattacharjee

Washington Correspondent,
Hindustan Times of India

FOR FOUR WEEKS, Indian diplomats and newspaper reporters in Washington have been studying President Johnson as minutely as any Red Guard studies Mao's works. They have gone through books by Evans and Novak, Philip Geyelin, even William S. White, consulted sources reputed to be associated with previous decisions, tried to visualize the President's reactions to current events, sought to read between the lines of his pronouncements on other issues—all in an effort to piece together his views on India's four-month-old request for an additional two million ton concessional food grain agreement.

The inquiry began in earnest after White House assistant Walt Rostow informed the Indian Embassy that the President had taken no decision on the food grain request and could give no estimate when, or even if, approval could be expected.

The government of India was upset. The impression it had gained from previous diplomatic feelers in Washington and New Delhi was that the new agreement would be authorized in time to extend the long-established bridge of food boats between the United States and India over the coming critical winter months.

But the last shipment of grain from the 3.5 million tons authorized in May is scheduled to go this month.

At first, the inquiry was confined to Indians expected to be professionally knowledgeable about United States policies and aware of its relevance to impending famine and approaching elections in their country.

As a gap in the bridge appeared imminent, they were joined by others who saw the dimensions of its possible impact on India's people and politics.

But the President was at his ranch. No word came directly from him. Analyses based upon views ascribed to the Departments of State and Agriculture and the Agency for International Development could not explain the delay. A member of an official team dispatched to re-examine India's needs and performance hurried back with the impression that the need was urgent and the performance—in terms of the prescribed criteria of distributing fertilizers, promoting better seeds, increasing incentive, extending credit—had improved considerably. But still no decision.

Perpetual Uncertainty

SUSPENSE WAS STRETCHED to the breaking point. The day a break in the food pipeline appeared inevitable, Nov. 28, the Department of Agriculture permitted the Indian Embassy to purchase an additional 150,000 tons of sorghum in place of corn provided in the May agreement. The pipeline would technically remain intact for an extra ten days. Then, unspent balances discovered in the agreement permitted purchase of an extra 77,000 tons of wheat.

It is still uncertain if, when and how the President will respond to India's request, though it is generally assumed that he will respond. Indian correspondents have been describing possible Presidential motives with stories reminding readers that Mr. Johnson has been known to keep his own countrymen guessing.

There is plenty of speculation in which officials participate. But there is wide agreement on one point: that at least part of the President's intention is benevolent—to prod India toward self-sufficiency. Purists, who maintain that self-help should not be imposed, and skeptics, who doubt if helpers necessarily know more than the helped, are thinning.

The core of the benevolent thesis is that the President's delaying tactic is designed to bring the government of India into hard contact with economic reality by letting the air out of the aid cushion supporting its archaic, dogmatic and inefficient attitudes.

It is assumed that India's leaders will realize with a bump the futility of relying on state enterprise and economic controls and learn to respect the essential superiority of an unfettered market economy. It is also assumed that delay will focus attention on inefficiency, corruption, and favoritism in the state most affected by scarcity and persuade New Delhi to override states' rights and take over the administration.

A variant of the benevolent thesis is that Mr. Johnson is helping India by obliging her to buy food, instead of allowing her to waste her scarce foreign exchange on arms or dreams of joining the nuclear high table. His insistence on holding back to enable such other affluent nations as the Soviet Union to contribute their share is seen as designed to increase the total amount India will receive, and also to help New Delhi distinguish reliable from fair-weather friends.

The President's critics read other motives into the delay. They sug-

gest he is trying to reingratiate himself with Congress by persuading India to modify its foreign policies, especially in respect to Vietnam, and to provide better terms to American investors.

Others, with long memories, are concerned with the credibility gap. They recall the message sent by Mr. Johnson to Congress eight months ago after a meeting with Prime Minister Indira Gandhi. It said, in part, "It is not in our nature to drive a hard mathematical bargain where hunger is involved. Children will not know that they suffered hunger because American assistance was not matched."

The critics fear that such verbal indiscretions might lead Indians to doubt the President's spoken guarantee pledging the United States to protect them against nuclear blackmail if they renounce nuclear ambitions. In that event, India could carry self-help to the literal extent of developing her own nuclear deterrent.

Reacting to a Client

OTHERS MAINTAIN that Mr. Johnson has no intricate, long-range objectives, but is simply reacting to a client country's thoughtlessness in hosting a miniature meeting of nonaligned countries at the same time he was conferring with his allies in Manila.

Some suggest he has become wary of New Delhi's appeals because a million Indians did not starve to death last summer, as predicted by a Harvard expert.

Those maintaining that the President's motives may well be as mixed as anyone else's do not rule out any

of these interpretations. Since American food reserves are falling and India's political flexibility is restricted, they credit him with the judgment that Washington can obtain better terms for its grain because New Delhi has nowhere else to go. In contrast to the 1950s, they see Washington and Moscow following parallel policies in South Asia, and New Delhi as having quarrelled too violently with Peking to envisage reconciliation.

Even this sophisticated explanation leaves out an important factor—that India is awaiting her first general election without the reassuring father figure of Jawaharlal Nehru. If Mr. Johnson has taken this into account, he must believe the Indian voter prefers leaders who accept policies imposed from abroad under threat of withholding food. Or is he confusing India with one of the 50 States that cannot do worse than vote Republican should he deny it a dam or defense plant too long?

If Mr. Johnson is too experienced a politician not to know that outside pressure imposed openly before an election is likely to be counterproductive, even if benevolently motivated, internal logic leads to one other thesis: that having tired of providing an expensive cushion for a willful, inefficient democracy—by his standards—the President is taking his chance on it being replaced by a complaisant, authoritarian regime and need not minimize its dependence on the United States.

When interpreting from circumstantial evidence—as a Pedernologist must—no stone can be left unturned.

Food for India

A major interruption in January grain arrivals in India has been averted by the timely gift of 100,000 tons of wheat from Canada and an emergency \$10 million Indian purchase of 150,000 tons from Australia. The United States has agreed to substitute 100,000 tons of sorghum for an equivalent amount of cornstarch already covered in the food aid agreement signed following Prime Minister Gandhi's visit last spring. India has also purchased 50,000 tons of wheat from the United States in a \$3 million deal on commercial terms. But the Administration is continuing to delay action on new food aid commitments, including a short-term, 2-million-ton agreement envisaged in Indo-United States discussions since July. This means that a break in grain arrivals during the first week of February is now almost inescapable.

It takes at least a month to book shipments and another month for the grain to get to Indian ports from the United States. Each day that a U.S. decision is delayed thus adds to the time likely to be lost in February arrivals. The fact that the impact of this gap is likely to be felt in India just as the country goes to the polls is only one of the reasons why the U.S. delay may prove to be a dangerous political gamble. If famine conditions develop as expected and New Delhi is short on available food stocks, the United States will inevitably be criticized for a policy of too little, too late.

A variety of explanations have been suggested to justify the delayed decision. One interpretation is that the President wants to dramatize his desire for Soviet and other international participation in helping food-deficit countries. Another is that he wants to shock India into more meaningful agricultural reforms and more equitable sharing of its own food resources.

These are good reasons for a firm American policy that, in the long run, will assist India in resolving its recurrent food difficulties. But people sometimes starve to death in the short run and India is on the brink of famine. It also is on the eve of an election and starvation does not ordinarily induce an electorate to behave rationally. We have good reason to wish India to alter policies in part responsible for its troubles. But we also have good reason to hope that India will continue to be an enclave of relative stability in Asia and we desire a continuation of its essentially democratic system. Whatever else our policies do, they must not be permitted to prejudice these long-run ends.

Why India Irks LBJ

By RICHARD H. BOYCE

Scripps-Howard Staff Writer

The principal reason President Johnson has delayed approving hungry India's request for more U. S. wheat is because India has not sought help from all other possible sources, Administration officials said today.

And they revealed they have learned that, contrary to published reports, India has not formally requested wheat from Russia.

Indian Premier Indira Gandhi reportedly approached Russia for wheat when she visited Moscow in July. But Russian sources now are saying they did not regard her tentative remarks about aid as a specific request, despite India's known need for food to replace crop losses.

Mr. Johnson has sat on an Indian request for 2 million tons of wheat since August, when the State and Agriculture Departments and the Agency for International Development jointly recommended it be approved.

It was widely assumed that White House approval would be speedily forthcoming, since Mr. Johnson assured Mrs. Gandhi here in March that India would be helped.

But the President now feels that because India has already received 11 million tons of American grain this year, and U. S. reserves are seriously depleted, India should get part of her needs from other wheat-producing nations.

U.S. Urges Other Nations Join Food Aid to India

By Carroll Kilpatrick
Washington Post Staff Writer

AUSTIN, Tex., Dec. 19 — Secretary of Agriculture Orville L. Freeman, following a conference with President Johnson, called on other countries today to match the food aid the United States is giving India.

"The United States cannot do this all alone," the Secretary said after reporting no decision yet by President Johnson on India's request for additional food shipments now.

Freeman said he very much hoped that the Soviet Union, which had a bumper grain harvest this year, would provide aid to India. Other industrial countries that cannot provide direct food aid could provide money, fertilizer, or agricultural implements, he said.

"We feel that the rest of the world at least ought to match the United States effort," he said. In 1966, he said, the United States shipped about 8 million tons of grain to India while the rest of the world shipped 3 million tons.

Canada and Australia recently agreed to make additional shipments, the Secretary said, but France and Russia, the other two principal grain surplus countries made no promises.

While refusing to predict what the President would do, Freeman suggested that the question of long-term and short-term aid shipments to India would be considered together. A projected 3-million-ton shipment to meet India's needs in January and February was held up by the President last month.

Asked whether the Indians were doing all they can to help themselves, Freeman said they have made "a great advance in the last year" and are now giving "much higher

priorities to agriculture than ever before in their history."

President Johnson conferred at his ranch near here with Freeman, Budget Director Charles L. Schultze, NASA Administrator James Webb, Chairman Gardner Ackley of the Council of Economic Advisers and Presidential Special Assistant Joseph Califano.

The President plans to confer Tuesday morning with Lincoln Gordon, Assistant Secretary of State for Inter-American Affairs, and Sol M. Linowitz, Ambassador to the Organization of American States. They have just returned from a Latin American tour.

At a news conference here before returning to Washington, Freeman also disclosed that:

- The Agriculture Department's fiscal 1968 budget would be only slightly above actual spending in 1967, estimated at not much over \$6 billion. "The increase will be accounted for largely in rebuilding stocks of grains currently moving below a desirable level," he said.

- Total net income of American farms in 1967 may be slightly under the 1966 record high although the Department is taking steps to improve the income picture.

- Farm exports, which totaled \$6.7 billion in fiscal 1966, should exceed \$7 billion in fiscal 1967, with about \$5.5 billion in commercial sales for dollars. This would be about twice the exports of a decade ago.

- The President instructed Freeman to consider the possibility of organizing a team of farm leaders and exporters to go to Eastern Europe to review the possibility of expanded trade with Eastern Europe.

LBJ Scored On Delaying Food to India

United Press International

Sen. George McGovern (D-S.D.) accused President Johnson yesterday of taking a "negative approach" to the food problems of India and other developing countries despite the President's previous statements the U.S. should lead the war on hunger.

McGovern criticized the President for forcing India to go "begging" for food at a time of drought and potential famine. Instead, the Senator said, Mr. Johnson should call a "Manila-type conference" to line up allies in a global food assistance effort.

McGovern, a former Food for Peace director under President Kennedy, gave his thoughts on the current U.S. food aid program in an interview with UPI. He was particularly critical of the continued U.S. delay in responding to an Indian request for an additional two million tons of wheat.

U.S. Ends Its Freeze On Food Aid to India

900,000 Tons Of Grain Freed To Move Soon

By Selig S. Harrison
Washington Post Staff Writer

President Johnson ended a month-long freeze on new food-aid commitments to India yesterday with an allocation of 900,000 tons of grain for shipment during February and March.

The move coincided with the disclosure in New Delhi that the Soviet Union had agreed to donate 200,000 tons of wheat to help meet a threatened famine in north-central India.

Closely following an Australian gift of 150,000 tons of wheat late last week and an earlier Canadian grant of 250,000 tons, the Soviet donation brings to 600,000 tons the total of new food-aid grants announced by other countries since the start of the presidential freeze.

"A Coincidence"

Administration sources said that the timing of the U.S. and Soviet decisions was "a coincidence." These sources linked the White House go-ahead with a favorable report on Indian agricultural reform efforts received yesterday from a returning Congressional study mission.

Speaking for the three-member mission, Rep. Robert Dole (R-Kan.), told a news conference that India is making "a real effort" to increase food production on its own, but that two years of drought had played a "cruel hoax" on the Indian government.

Rep. Dole said that the Congressional mission had recommended interim U.S. food-aid shipments at a level "fairly near" the 2-million-ton request made by India in August. He estimated that India would need about 89.5 million tons of food grains during 1967. Since current projections of domestic productions do not exceed 78 million tons, he stated, this is likely to leave an estimated 11-million-ton gap to be filled by imports.

The U.S. has already shipped an estimated 8.3 million tons of wheat and grain sorghum

to India during the current year on a concessional rupee payment basis. It is understood that the President plans to seek a new Congressional resolution, similar to the one approved last April, endorsing another large-scale U.S. food aid program during 1967.

Administration officials stated that the U.S. hopes to keep its food aid to India next year at a level not higher than half of New Delhi's total import needs.

Secretary of Agriculture Orville L. Freeman first suggested such a 50-50 matching formula at a Texas news conference following a meeting with the President earlier this week.

If the U.S. held to this formula, irrespective of what other countries do, American food aid next year would drop from the 1966 figure of 8.3 million to 5.5 million.

It is understood that Freeman discussed the report of the congressional mission with President Johnson before putting the new food allocation into effect.

Despite the Congressional recommendation of an interim program approaching the 2-million-ton Indian request, the Administration has limited its immediate allocation to 900,000 tons in an apparent effort to package all remaining food aid for 1967 in a single large agreement.

Should Congress fail to act promptly on the expected White House request for a new resolution, however, officials indicated that a further interim allotment could be made to avoid any interruption in shipments.

Administration sources said that the combined effect of U.S. and other countries' shipments now scheduled or due to be scheduled would assure India of receiving grain imports of 1 million tons per month through February. One official said that "substantial stocks of privately owned and Commodity Credit Corporation wheat and grain sorghum are positioned in Atlantic, Gulf and West Coast ports to speed shipment."

Differing with the Administration estimate, Indian officials state that the overall

total of imports in January will reach only 750,000 tons.

Indian sources reported that the Administration is moving with "a gratifying sense of urgency" to arrange for the prompt dispatch of new food shipments. However, these sources said that it is "still not certain" that ships can be lined up rapidly enough to avert a lapse of "a week or ten days" in early February.

In New Delhi, the Indian government moved to cut the grain ration yesterday by one-eighth in an effort to acquire an additional 20,000 tons of grain per month for drought-stricken Bihar and Uttar Pradesh states. The ration cut will affect 11 large cities and three industrial areas. It follows domestic and foreign criticism that Indian food resources are not being equitably shared to meet the Bihar crisis.

The 900,000-ton U.S. allocation will be divided equally between wheat valued at \$29.7 million and \$23.5 million in sorghum, a coarse grain.

Officials attached considerable importance to the 200,000-metric-ton Soviet donation despite the fact that India had requested at least 1 million tons. (A metric ton is 2004.6 pounds.) The Soviet gesture, which includes payment of the cost of ocean freight, marks Moscow's first participation in food aid to India and could set a precedent for enlarged contributions in future years.

Rostow Mission

Under Secretary Rostow on a food mission to India and other countries is said to have left New Delhi with a bland and unspecific statement. Indian officials were described as confident that they would get the grain they need, but no firm pledge by the American envoy was mentioned. Mr. Rostow is a lawyer—an advocate—by profession, unless you would call him an economist, for he has distinguished scholarly standing in both disciplines. This fact, added to his special charge in the State Department—he is Under Secretary for Political Affairs—suggests one of the themes that may be in his assignment.

The problem is the delicate one of providing the aid required by compassion and good neighborliness while abating not one bit the normal drive of an independent people to improve their own food production. Secretary Rostow spoke of the long steps the Indians were making toward food self-sufficiency. More remains to be done, and it will have to compete with other demands on Indian resources, including the military and some of the dramatic industrial projects. The President's new stress is, however, on food production as of absolutely first priority, along with population control. To arrange the minimum food aid needed in concert with other foreign surplus countries, and to applaud maximum effort toward expansion of domestic agriculture is probably the essence of the Rostow errand.

Farm Agency Seeks Modest Rise in Funds For Food for Peace

Congress Authorized \$3 Billion,
But Only Around \$1.8 Billion
Is Included in Fiscal '68 Budget

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON — The Agriculture Department's budget makes clear that it doesn't want anywhere near the \$3 billion-plus which Congress authorized to finance the new Food-for-Peace program.

Some farmer spokesmen, peering into the mystery that had shrouded the Administration's food-aid plans, had expressed the hope that sagging farm income would be bolstered by a substantial rise in spending on Food for Peace (Public Law 480), which seeks to stimulate food self-sufficiency in recipient lands. But this outlay is budgeted at slightly under \$1.8 billion in the year starting July 1, only a modest rise from the current year's.

"Congress always has authorized more money for the food-aid program than we needed, and for that reason the \$3 billion figure was misleading," asserted a Food-for-Peace planner.

Wheat farmers and traders, however, can count on the food-aid program biting off a substantially larger amount of U.S. wheat supplies in fiscal 1968, assuming Congress goes along with the department's proposals. According to budget projections, PL 480 shipments of wheat and wheat products next year will total 535 million bushels. In the current fiscal year, by comparison, wheat aid is reckoned at 412 million bushels, down from 531 million bushels the year before, when U.S. stocks still were fat with surpluses accumulated during the early 1960s.

Supplies Improve

The proposed expansion of wheat shipments reflects the improvement in U.S. supplies the department anticipates from the 1967 harvest, currently calculated at a record of nearly 1.6 billion bushels, compared with 1.3 billion bushels in 1966. Last month, the department reported farmers, responding to bigger acreage allotments, had boosted winter wheat acreage 26% over a year earlier. Winter wheat, planted in the fall and winter for harvest the next summer and fall, accounts for approximately 80% of total U.S. wheat production.

In line with previous estimates, department budget officials calculate that increased production will reduce the domestic price of wheat to an average of about \$1.40 a bushel in the year beginning July 1, down from this year's estimated \$1.60. Wheat for foreign-aid export will be at a related but higher rate of \$1.94 a bushel, the department figures, producing total PL 480 wheat costs of around \$976 million. The average PL 480 wheat cost of \$2.29 a bushel this year on a smaller amount of wheat is producing wheat outlays estimated at \$869 million.

The drop in wheat shipments in the current fiscal year, detailed for the first time in the new budget, probably will be seized by critics in Congress and elsewhere as evidence that the Administration has been remiss in providing aid for drought-stricken India. Some observers of Indian politics hold that pinched food supplies will benefit extremists of the right and left at the expense of the moderate Congress Party's majority in next month's national elections.

Drain Termed Unexpected

Agriculture Secretary Freeman and other Administration officials contend the drop in wheat shipments was dictated by the unexpected drain on U.S. stocks. Supplies of the food grain are expected to total only about 400 million bushels June 30, the end of the crop year, about half the 817 million bushels available as recently as two years ago.

This low "carryover" of wheat represents about 60% of annual domestic wheat consumption, and leaves consumers vulnerable to speculative run-ups of wheat and flour prices should adverse weather slash the coming harvest. Mr. Freeman, who considers 600 million bushels a good "target" figure for U.S. wheat reserves, says he would feel "uncomfortable" with a figure much under the anticipated 400 million bushels.

A second consecutive dry year and pressures of expanding population are expected to force India to seek some 11 million to 12 million tons of food-grain assistance this year, approximately the same as last year's, Administration officials agree. The budget figures seem to suggest, though, that the U.S. isn't too hopeful about other nations, including the Soviet Union, providing half of India's needs, as present Administration diplomatic efforts envision. The amount of wheat budgeted for PL 480 procurement seems ample to step up shipments after July 1 to the point that overall food aid to the subcontinent in calendar 1967 could match calendar 1966, when the U.S. supplied about 80% of India's food aid.

Related to the increased PL 480 wheat allowance is the lesser amount of grain sorghums the department is planning to provide as a wheat substitute. Aid shipments of the less palatable grain are projected at 64 million bushels in the new year compared with this year's estimates of 96 million bushels.

U.S. AID MISSION IN INDIA SHRINKS

Military Cut To 'Under 20' Officers And Men

By JAMES S. KEAT
[New Delhi Bureau of The Sun]

New Delhi, Jan. 27—Though still commanded by a major general, the American Military Aid Mission here is shrinking to about half platoon strength.

A United States spokesman confirmed today that the four-year-old military supply mission is being reduced to "under twenty" officers and men. Its peak strength in 1967 was about 120.

Has Little To Do

The reduction, which has been under way for about a year, has been ordered because the mission has little to do. American military aid to India and Pakistan was halted during their undeclared war in September, 1965. Only credit sales of "non-lethal" equipment have since been resumed.

Maj. Gen. William T. Daly, an Air Force officer, arrived here last fall when the mission comprised only about 40 men. A spokesman explained a senior officer was required for the post so he could deal with Indian officials at an appropriate level.

Most of the reduction, which is expected to be completed by spring, is accomplished by not replacing members who have completed their tours. Some are being transferred before the usual tour is over, however.

The spokesman said the decision to reduce the mission's strength further was taken by the United States Government. The Indian Government, which has occasionally implied it had requested the reduction, is presumably not displeased since it pays much of the mission's housekeeping expenses.

in aid

Allen-Scott Report

Food Program Is Stalled

By ROBERT S. ALLEN
And PAUL SCOTT

WASHINGTON — The once loudly fanfared Food for Peace program is being quietly metamorphosed into just another cog in the State Department's vast bureaucracy.

Under a forthcoming executive order, this highly touted program, which under Presidents Eisenhower and Kennedy was administered by a White House agency headed by a director, is to be run by a cabinet-level advisory committee in which the State Department will have the decisively controlling voice.

Not only are the staff and funds of the one-time semi-independent Food for Peace agency being swallowed up by the State Department, but it's even losing its world-known designation.

The program is being renamed "Food for Freedom."

This still-unannounced retitling directly flouts congressional disapproval of such a change. Last year, in voting a two-year \$7.4 billion extension of the program, Congress flatly rejected President Johnson's proposal that it be labeled "Food for Freedom."

Despite that, this is what it's called in the final draft of the executive order awaiting the President's signature.

To Senator George McGovern, D-S.D., this is "petty."

He was in charge of the Food for Peace program under President Kennedy for several years, and was Senate floor leader for the renewal legislation last year. McGovern disapproved of the name change then, and still feels that way.

"Congress insisted on retaining the Food for Peace designation," he says, "and wrote it into the 1966 law. But the administration is disregarding that and is dead set on calling the program Food for Freedom. I see no reason for this. It strikes me as petty."

What's In Store

The executive order has been awaiting the President's consideration for at least three weeks.

During this time Secretary of State Rusk and Agriculture Secretary Freeman have been arguing and maneuvering over who is to have the controlling authority in the cabinet-level "War on Hunger Policy Committee" that will boss the \$7.4 billion program.

Other members of this committee are Budget Director Charles Schultze and William Gaud, head of AID, the multi-billion dollar foreign aid agency.

The inside word is that Rusk has won, and the State Department, in conjunction with AID, will determine which nations get U.S. surplus food and how much. In other words, this all-important power is to be vested in the State Department.

Only say left to the Agriculture Department is which foods will be sent.

Already, the State Department has absorbed into its bureaucratic empire the staff and funds of the Food for Peace agency. They have been made part of the department's Bureau of Economic Affairs.

This occurred shortly after the start of the new year, following the resignation of Richard Reuter, who succeeded McGovern as head of the agency. Reuter quit ostensibly because of "family responsibilities." But the real reason was that he would no longer have any real authority.

Under the 1966 legislation, the President was empowered to determine how the program would be administered.

Senator McGovern and other congressional supporters of the measure strongly favored continuance of the Eisenhower-Kennedy policy — just as they insisted on retaining the Food for Peace designation.

But the State Department, which from the inception of the

program has been trying to get its hands on it, persuaded President Johnson to make the shift. The department had little difficulty in selling him on this idea — as well as changing the name of Food for Freedom, which Congress overwhelmingly rejected.

Headless Wonder

Senator McGovern raises two particular objections to the impending new set-up.

Under the cabinet-level committee arrangement, no one official will be responsible for the program — as has been the case since it was launched more than a decade ago. Henceforth, a committee nominally will be in charge. In practice, this means that minor bureaucrats will exercise authority.

Secondly, McGovern strongly suspects the program will be curtailed instead of expanded, as he contends Congress intended.

Last fiscal year around \$2 billion went into Food for Peace projects; this includes transportation costs. But now, says the South Dakotan, "All indications are that the program is not going to be expanded, and in some areas there will be reductions."

Administration officials deny that. They claim only a shift in commodities is likely; that other surplus food may be substituted for wheat, which is no longer as plentiful as it was.

McGovern is skeptical. "I discern a lack of priority and urgency in getting the program moving," he says. "There is no real drive behind it."

In the hope of averting what is about to take place McGovern propounded the suggestion that Vice President Humphrey be put in charge of the program. McGovern held Humphrey was "ideal because he has long been a Food for Peace enthusiast, and worked for it when he was a senator."

But the idea died aborning. Humphrey was willing, but the White House wasn't.

President Seeks To Meet 60% Of India's Food Needs

By PHILIP POTTER

(Washington Bureau of The Sun)

Washington, Feb. 2 — President Johnson today sought congressional approval of a program whereby the United States this year would meet 60 per cent of India's needs for outside food. Other nations, including Russia, would send the rest.

The estimated requirement is 10,000,000 tons, valued at about \$750,000,000.

Ten Nations

By the end of 1967, Mr. Johnson hopes the burden of meeting India's food deficit until, hopefully, that nation reaches self-sufficiency in 1970, will be shared by the United States and the rest of the world on a 50-50 basis. The western world's part of the program henceforth would be coordinated by the aid India consortium headed by the World Bank, which already handles other development aid.

It embraces ten nations—the United States, Canada, Britain, France, Italy, the Netherlands,

Belgium, Austria, West Germany and Japan. Nations without exportable food would be asked to put up their shares in equivalent agriculture-related goods such as fertilizer or currency. It is hoped the Soviet Union, currently with a food surplus, and Australia will make continuing contributions.

In a special message to the House and Senate, to be followed next week by submission of a resolution, the President said that already in the pipeline to meet India's 1967 needs are 2,300,000 tons of food grains, (worth \$185,000,000) of which 1,600,000 tons is from old United States allocations, 185,000 tons from Canada, 150,000 tons from Australia and 200,000 from the Soviet Union.

To keep food in the pipeline, he said, he is using existing authority to make a new allocation of 2,000,000 tons worth about \$150,000,000.

But this would leave a deficit of 5,700,000 tons (worth roughly \$400,000,000; wheat for instance, is worth about \$70 a ton and sorghum, much of which is sent to India, about \$50), and Mr. Johnson wants congressional authority to provide 3,000,000 tons more, providing "it is appropriately matched by other countries."

Additionally, he asked approval for an allocation of \$25,000,000 in food commodities for use in India by C.A.R.E. and other American voluntary agencies in emergency feeding programs in drought areas.

On Family Planning

The presidential message was conceded by Administration officials to be an appeal to American and world opinion to come to grips with the "spectre of near famine" facing not only India but almost "half the world's people," as a result of a growing gap between food output and population growth.

Despite the fact that Catholic bishops, at a meeting here in November, denounced the Administration for pushing birth control through use of Federal funds, Mr. Johnson in today's message stuck to his advocacy of voluntary family planning in developing nations with food deficits.

"India's plight reminds us that our generation can no longer evade the growing imbalance between food production and population growth. India's experience teaches that something more must be done about it," he said.

"We know that land can be made to produce much more food — enough food for the world's population, if reasonable population policies are pursued. Without some type of voluntary population program, however, the nations of the world—no matter how generous—will not be able to keep up with the food problem."

"We know, too, that failure to act—and to act now—will multiply the human suffering and political unrest, not only in our generation but in that of our children and their children."

Mr. Johnson said the provision of 11,000,000 tons of food grains (8,300,000 from the United States) to meet Indian famine conditions in 1966 "ranks among the proudest chapters in the history of international cooperation," but he and other Administration officials said it was time to move from ad hoc solutions to systematic means of meeting both short-run emergencies and of putting developing countries on a self-sustaining basis in food output.

Hence the decision to work through the World Bank consortium.

Officials emphasized, however, that this should mean no diminution of consortium resources going into other development programs. Last year pledges to India for the year ending March 31 (Indian fiscal year) totalled \$900,000,000, of which about \$400,000,000 was the United States share.

Praise For India

The presidential message praised India for giving agricultural development top priority in new economic planning and attributed to the Government there a number of steps "on the right path," including more hospitality to private fertilizer firms, with foreign investors now permitted to own up to 51 per cent of the stock.

"What India has begun to do represents the growing realization in the developing world that long-term economic growth is dependent on growth in agriculture," the message said.

Mr. Johnson said he would continue urging American private investors to get into the chemical fertilizer business in India and to urge other governments to encourage their own producers to do likewise.

Administration officials, however, said American firms now are hanging back in negotiations pending India's election in February.

Mr. Johnson pressed Canada and other nations for the help given India last year, but said "the bleak facts require a sustained international effort on a greater scale. Today I propose that all nations make the new Indian emergency (caused by severe 1966 drought in Bihar and Uttar Pradesh provinces) the occasion to start a continuing world-wide campaign against hunger."

"The United States is prepared to do its share," he declared.

Administration officials said other members of the World Bank's aid India consortium, including those without food surpluses like Japan, had accepted the principal of "international responsibility" in this field. An American team under Gene Rostow, Under Secretary of State, which just returned from a trip to various member states, got no firm commitments, but it is hoped these will be in hand by mid-year.

Lacks Farm Surpluses

Officials here point out that the United States no longer has true farm surpluses and dollars must be paid for the food aid this country now ships abroad. India paid in rupees for amounts delivered there last year but United States law now calls for a transition to dollar payments, although terms can be very lenient, and "relatively soft" terms will be granted India for the wheat and sorghum this year.

The presidential program calls for encouraging all developing countries to give agriculture a much higher priority in their plans and programs, while pushing voluntary family planning.

India, officials here noted, now is putting substantial resources into family planning, and is considering legalizing abortion, as in Japan.

JOHNSON SPEEDING TWO MILLION TONS OF GRAIN TO INDIA

Asks Congress for More and
Urges Other Countries to
Meet 'Inescapable' Duty

*The text of message on India
will be found on Page 12.*

By FELIX BELAIR Jr.

Special to The New York Times

WASHINGTON, Feb. 2—President Johnson advised Congress today that he was making an immediate consignment of two million tons of food grains to India. He asked for Congressional approval to send three million tons more, "provided it is appropriately matched by other countries."

In a special message sent to the Senate and House of Representatives, the President laid down the proposition that food aid to India or any other country without enough to eat was "an inescapable duty of the world community." Rich and poor nations alike must join in the effort, he said, giving food, if they have it, or capital, equipment and fertilizer.

"The first obligation of the community of man is to provide food for all its members," the President said. "This obligation overrides political differences and differences in social systems. The United States is prepared to do its share."

Shortage is Estimated

The Indian "food package" outlined by the President was predicated on a shortage of about 10 million tons this year. With 1.6 million tons of United States wheat and other grains already in the pipeline, his proposal would mean a 6.6-million-ton contribution from this country.

The President estimated the cost of filling India's 10-million-ton food deficit at \$725-million. He valued at "nearly \$150-million" the two million tons he was allocating immediately and asked that \$190-million of Commodity Credit Corporation funds be used to finance the three million tons additional.

There was no explanation for this apparent discrepancy in costs.

Agreement in Consortium

The President also recommended an allocation of \$25-million in food commodities for distribution by CARE and other American volunteer agencies in an emergency program in Bihar and Uttar Pradesh, states in India where drought has persisted.

Under the President's proposal, food aid would be treated as part of assistance provided through the 10-member India aid consortium headed by the International Bank for Reconstruction and Development, the World Bank. He said there was "substantial agreement" among the consortium members on these major points of the United States proposal:

¶ "Meeting food needs of India during this emergency should be accepted as an international responsibility in which each nation should share.

¶ "Emergency food and food-related aid should be coordinated through the World Bank consortium.

¶ "This aid should not diminish the flow of resources for other development programs. It should be in addition to the targets for each country suggested by the World Bank."

Although he could have made the immediate and future allocation of grain to India without asking Congressional approval, the President said he was requesting authority by joint resolution because the nature and scope of the issues made it "important that we act together."

The President noted at one point that the Soviet Union had contributed 200,000 tons of grain as part of an impressive effort to help India. Canada and Australia also have provided substantial amounts, and India had used her own foreign exchange to buy 200,000 tons.

Administration officials estimated that two million tons would take care of India's food needs approximately through June. They said this United States grain would be sold for Indian rupees. But a gradual shift to credit sales for dollars for at least a part of the three million additional tons will be considered during the consortium's discussions in March.

Special emphasis was put on two related factors in the President's message. One was fertilizer. The other was the necessity for effective voluntary population control in all countries lacking enough food to feed their people.

"We know that land can be made to produce much more food — enough food for the world's population, if reasonable population policies are pursued," the President said. "Without some type of voluntary population program, however, the nations of the world — no matter how generous — will not be able to keep up with the food problem."

India's avoidance of famine last year "ranks among the proudest chapters in the history of international cooperation," the President said. She imported nearly 11 million tons of grain and used several million more from her own food reserves.

This year, unless the country's own production can be supplemented with the 10 million tons she is estimated to need "more than 70 million people will experience near-starvation," the President added.

Of last year's efforts, the President said that Canada had been especially generous, as had Australia, which is not a member of the consortium. Similarly, he said, the private contributions of the Dutch and Italian people had been especially heartwarming.

"But the bleak facts require a sustained international effort on a great scale," the President said. "Today I propose that all nations make the new Indian emergency the occasion to start a continuing worldwide campaign against hunger."

February 3, 1967

Food for the Hungry

President Johnson has broken exciting new ground with his proposals to Congress for American participation in a world-wide "war on hunger." His program is both short-run, dealing specifically and immediately with the famine threat in India, and long-term geared to help willing nations help themselves along the road to self-sufficiency in food.

It is a program that should restoke the fires of idealism and altruism while satisfying demands for practicality. The President states harsh truths about imperative self-help requirements for food recipients: birth control and family planning; higher priority for agriculture as against industry in development programs of needy countries; vastly expanded use of fertilizer and seeds, along with soil-building and conservation policies.

But he emphasizes equally the enduring willingness of the United States, if other advanced nations cooperate, to provide food on generous terms while recipient countries are developing the capacities to feed their hungry.

* * *

Mr. Johnson sensibly proposes to approach India's problem through the eleven-member consortium already functioning under World Bank leadership to provide economic aid to that country. Food becomes a part of the multilateral assistance program provided through the consortium.

The President makes clear that food and food-related aid administered in this way should be additional to the economic assistance already in consortium programs, and not—as has been feared—a substitute for it. Use of the consortium under the World Bank umbrella should facilitate integration of over-all aid to India and defuse suspicions that the United States will use its aid in an effort to influence Indian policies at home and abroad.

To help stave off famine in India, Mr. Johnson will immediately allocate 2 million tons of food grains, or 300,000 tons more than a Congressional task force recommended to him in December. Department of Agriculture experts insist that this allocation will keep food—from all sources—in India's pipeline and that despite predictions to the contrary there will be no interruption in the "bridge of ships" carrying emergency food to Indian ports. We hope the Department is right. In addition to the emergency allocation, Mr. Johnson asks Congressional approval for a commitment of up to 3 million tons of food grains, "provided it, is appropriately matched by other countries."

The Administration clearly intends India to be a pilot project for multilateral food aid to all hungry countries. In that connection, the President cites eight specific Indian self-help accomplishments of the last year, ranging from incentive prices for farmers to fairer food distribution to family planning. Perhaps this tribute to India's efforts will help erase bitterness aroused by the still unexplained freeze on food shipments in November, an act highly embarrassing to a hard-pressed Indian Government preparing for the crucial elections that begin this month.

There are less offensive—and more effective—ways to jog India along the self-help road, and the President has found them in his message to Congress. He has put the emphasis where it belongs—on the imperatives of self-help by the needy and generous load-sharing by the other advanced countries. And he has done so in an over-all context of interdependence and a stirring call to battle against "man's oldest enemy."

U.S. to Ship to India 5 Million More Tons Of Grain; Johnson Seeks Aid Consortium

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON — The Government is making "an immediate allocation" of 2 million more tons of food grain to India that will follow shipments currently moving in the supply pipeline to the subcontinent, President Johnson said in a special message to Congress.

Mr. Johnson also made known plans to provide India with another 3 million tons of grain later on to help meet her needs for the rest of the current year.

Agriculture Department sources said the latest contribution to India's struggle against hunger will consist of approximately 1.2 million tons of wheat, equal to about 48 million bushels, and some 800,000 tons of sorghum and other coarse grains. The grain allocation is valued at about \$150 million.

An agreement covering the new aid must be signed with India under the new Food for Peace law (PL 480) enacted by Congress last year. It's expected however, that all the additional grains will be delivered to Indian ports by June 30.

President Johnson also called on Congress to approve a new food-aid concept—a 10-nation consortium under chairmanship of the World Bank. The consortium would participate with the U.S. in efforts to make India self-

sufficient in food by the early 1970s. Its members, including Britain, Germany and Japan, also are being asked to join this country in supplying the 5.7 million tons of food grain, valued at approximately \$400 million, India is expected to require in the form of aid during the last half of this year.

The President's message projected India's total aid needs this year at "perhaps" 10 million tons of grain, a lower figure than the Agriculture Department's more pessimistic specialists have been using. Last year India received about 11 million tons of food aid, of which the U.S. supplied about 8.3 million tons, including close to 250 million bushels of wheat.

In the opening months of this year, India is slated to import 2.3 million tons of grain, including 1.6 million in U.S. food aid, and 535,000 tons of aid contributed by Canada, Australia and the Soviet Union. Overall, the Administration hopes other countries will shoulder about 40% of the Indian aid burden. Thus, for the final six months of 1967, Mr. Johnson called on Congress to approve an allocation "not to exceed 3 million tons, provided it is appropriately matched by other countries."

Present Government plans call for some 2 million tons of this, or approximately 74 million bushels, to be in wheat, and the remaining 1 million tons in sorghums and other coarse grains. It's conceivable that both amounts may have to be increased, however, depending on the willingness of members of the proposed consortium to contribute to India grain or cash and technical assistance that could be translated into commercial grain purchases.

The Soviet Union, though not a member of the consortium or the World Bank, is likely to "move in parallel" to the U.S. position with its own Indian food-aid program, one Administration source speculated. He said the U.S. probably will consult informally with the Russians on their plans.

President Johnson already holds ample powers under the Food for Peace law to implement his program without consulting Congress. But the chief executive's well-known desire for consensus undoubtedly has influenced him to seek approval from Capitol Hill. White House sources said resolutions in support of the President's aid program will be introduced in both houses next week with bipartisan sponsorship, and speedy approval is anticipated.

The grain India will receive from the U.S. this year will be paid for in "soft" rupees and through long-term dollar credits, the amounts of each to be determined in the pending negotiations, Administration officials said.

The President also asked Congress to approve \$25 million in food commodities for distribution by CARE and other American voluntary agencies, to assist the government of India in an emergency feeding program in drought areas of Bihar and Uttar Pradesh.

Johnson widens food-for-India plea

By a staff correspondent of
The Christian Science Monitor

Washington

"We cannot feed the world alone. It would be insane for us to try. But we can help the rest of the world to feed itself."

These words from a high government official, whose name cannot be given, summarized President Johnson's food-for-India message to Congress.

The message did these things:

It served notice that the other well-to-do countries would have to help the United States feed India, during its continued famine.

It asked Congress to authorize a generous share from this country, provided other countries make matching contributions in the second half of the year.

It raised the Indian question onto a higher

level: the world shortage of food by which "one-half of the world's people confront the same problem." The President said: "I propose that all nations make the new Indian emergency the occasion to start a continuing worldwide campaign against hunger."

Self-help praised

It argued for self-help, multilateral aid, and the encouragement of private investment, particularly for the local production of fertilizer, as the basis for the new global campaign.

It linked the "agricultural revolution" and greater food production to population control as twin "musts" if world hunger is to be brought under control.

It was hard necessity which caused the President to internationalize the food problem.

"There once were true food surpluses in the United States," said a White House official. "But now that they have gone, food has become as scarce as dollars, or more so." The money for the wheat that goes to India now comes directly out of the taxpayer's pocket in the United States and has to be included in the President's hard-pressed budget for the coming year.

It is no easier today for the United States to buy food for India, the message indicated, than for other industrial countries which have to import much of their food. It is a matter of money for both, and so both should help India.

A high point of the message was its tribute to India's measures of self-help in the field of agriculture during the last year. President Johnson had insisted, as a condition of American help, that India tackle its farm problem much more vigorously than before.

Mr. aid

Help for India

President Johnson's allocation of another 2,000,000 tons of grain to India will be gratefully welcomed there, and should be welcomed here not only on humanitarian grounds but also as a continued recognition of how important to a stable world is the sustaining of free societies in South Asia. The action is further noteworthy as meaning that in the Administration's opinion, after careful study, India is trying to comply with two of the President's conditions: that recipients of aid give highest priority to food production, including private participation, and that nations with food deficits earnestly undertake programs of voluntary family planning.

There is a third condition: that developed nations other than the United States assume a fair share of the burden of helping the underdeveloped. In the case of India, Canada and Australia are already contributing substantially. For this year Mr. Johnson seeks a sharing at the rate of a total of 6,600,000 tons of grain from the United States and 3,400,000 tons from elsewhere. It is a reasonable, even a generous, proposal for what the President calls an attempt to bring into world balance "our most basic account," food.

It is true that the situation in India right now amounts to an emergency (and additionally to assist India through it Mr. Johnson recommends the distribution of \$25,000,000 in food commodities in the drought-stricken areas of Bihar and Uttar Pradesh). But it is true, too, that other emergencies will arise, in India and in other places, and that the United States, whose own resources though vast are not unlimited, cannot be expected now or later to carry the whole load.

Helping India two ways

There are two key phrases in President Johnson's message to Congress on food help for India:

- America would cease to be America if it stood idly by when men starved.

- We shall approach the Indian food problem through the Indian aid consortium organized under World Bank chairmanship.

In short, the United States will continue to prove its generosity and brotherhood through large-scale food shipments to India, but it will also push for a worldwide, carefully planned, long-range international attack upon the problem of hunger — in India and elsewhere.

The necessity for both — the generosity and the over-all planning — is made starkly clear with word that in India's Bihar state, home of some 50,000,000 human beings, for months people have been living on from two to five ounces of grain daily. And even this pitiful morsel was made possible only through the importation of 11,000,000 tons of grain last year.

As one of the steps to meet this year's need for a 10,000,000-ton grain import, President Johnson is proposing sending 2,000,000 new tons forthwith. This will

bring America's yearly shipment to India to about 6,600,000 tons.

Such shipments must keep on so long as men, women and children look to them in bitter need. And it is now apparent that this will require a sharp increase in American grain growing. Indeed, Washington has already begun authorizing the sowing of more acreage.

But the Indian situation requires much more. First, it demands a step-up in food shipments from lands other than the United States. Such shipments from, for example, Australia, Canada and the Soviet Union have already taken place. These must be supplemented by greater donations of fertilizer, agricultural gear, and the utilization of more foreign know-how.

Most of all the Indian situation calls for an international effort. This should organize both relief and aid on a continuing worldwide basis. It should stress the requirement for even greater efforts at self-help by Indians. It should press for more successful efforts at population control.

India constitutes an immense world emergency. But it also constitutes an even greater world opportunity to show how concerted international action can find an answer to a dire problem.

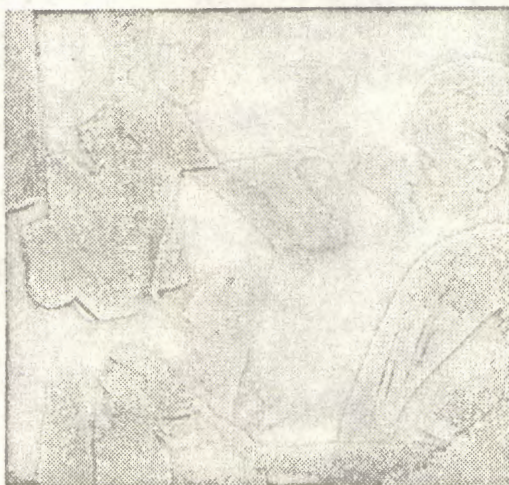
A New Approach to India's —And the World's—Problem

IN ANNOUNCING the welcome news that food shipments to ease India's threat of famine have been resumed, President Johnson also told Congress that he would like future agricultural aid from us to be channeled through the World Bank.

The Bank has a consortium of ten nations pledged to aid India, and Mr. Johnson now proposes to co-ordinate our efforts with those of others in a five-year aid program. The immediate shipments of grain now en route to India are being sent through our Food for Peace law, which requires promises of self-help from the recipient nations.

Mr. Johnson was able to reassure Congress that agriculture now has top place in India's economic planning; that it has imposed food rationing, and a more equitable distribution between the have and have-not states. It is experimenting with new and more productive strains of rice, has improved its transportation and distributive system, contracted for fertilizer factories, improved water supplies, and in many other ways moved to modernize the nation's archaic methods of food production and allocation.

The India consortium of the World Bank



is working with other international agencies on an over-all plan for India's long-range agricultural development. It envisages technological help, investment in fertilizer plants, dams and irrigation systems, experimentation with seeds, instruction and the provision of tools, and an entire range of planning designed to supplement India's own efforts to become self-sustaining.

This is a broader program than the mere shipping of grain to avert recurrent famine, and is one that will show tangible gains from the co-operative effort extended. Those nations in the consortium that do not ship food will do their share to provide other needs. The objective is to reduce the expensive, hand-to-mouth grain shipments gradually as the country becomes more efficient in providing for itself.

India is the largest of the nations needing help toward eventual self-support, but the plan now evolving will be a model for the self-supporting nations to follow. Doles of food do nothing basic to put people on a self-supporting footing. Mr. Johnson's plea to Congress that we join with others in helping India feed herself is the mark of a new, constructive approach to an age-old problem.

Acting as New House Agriculture Committee Chairman

Rep. Poage Backs LBJ's Plan to Ship Wheat to India

By MARTIN CASEY

Washington Bureau of The News
WASHINGTON — Rep. Bob Poage of Waco, new chairman of the House Agriculture Committee, is taking a strong lead in supporting President Johnson's plans for sending wheat to India.

The President had asked congressional support for sending an additional but limited supply of wheat to India while advocating a long-range plan in which India and other countries would take a larger part in solving the Asian subcontinent's chronic food shortage.

Poage and Rep. Bob Dole, R-Kan., introduced identical resolutions last week which would give the support Mr. Johnson asked. Meanwhile, Sens. Jack Miller, R-Iowa, and Gale Mc-

Gee, D-Wyo., introduced a similar resolution in the Senate.

Neither legislative body has as yet acted on the resolutions.

The President announced recently an additional two million tons of grain worth \$150 million would be sent to India. Then he asked congressional support for his further plans to aid the Asian subcontinent.

(Indian officials said the new allocation would provide enough food for the country until May. Without the allocation the country expected to be facing critical food shortages by mid-March.)

THE ADMINISTRATION'S long-range plans would involve sending more wheat but would put an end to it in sight.

In an interview, Poage explained why he supports the President's plans and stressed

the need for cooperation from India herself and other countries.

He accused Indian leaders of "sticking their heads in the sand" and noted that Indian farmers are facing the same price squeeze that American farmers face—only more so.

Poage, who visited India in December along with Dole, Miller and McGee at the President's request, said he was surprised at the knowledge of the Indian farmer.

"IF INDIANS could apply their technology, they wouldn't have to import a pound of food," he said. But doing that is "an economic impossibility."

"Tractors and fertilizer is made in a plant running on 1967 wage scales," Poage said. But Indian farmers, like American

ones, are getting less for their product than they did in past years.

"If there's not enough income from farming, they (the farmers) can't pay" for the improved technology otherwise available, Poage said.

The Central Texas Democrat said the Indian government has "deliberately tried to keep the price of grain down . . . in their efforts to make it possible for the poor masses to buy the food produced.

"It's a harsh dilemma," Poage admitted, "but it makes it impossible for farmers to grow the maximum."

POAGE SAYS India has taken the wrong approach by holding food prices down, but he couldn't convince the Indian agriculture minister of that during his visit.

He also criticized India for growing non-food products on land which could grow food.

"India has 20 million acres in cotton," he said, but it produces far less cotton per acre than does the American farmer.

"Every acre now growing cotton in India would grow food of one kind or another," Poage said. "If they put that in food, it would ease our burden. We can supply cotton with less strain on our own economy than wheat.

"India ought to cooperate" in this matter, Poage said, but "I haven't seen any indication that they are."

The Poage-Dole-Miller-McGee resolutions and the President's proposals "contemplate sending a limited supply of wheat while we negotiate a long-time agreement," Poage said.

POAGE HOPES that the

"long-time agreement" will include a stronger commitment from India to cooperate and also get some commitments from other countries to help.

The President's proposal is that the United States would match the amount of grain sent India by all other countries, Poage said.

"We're saying we'll match all the countries, including the Soviet Union."

Poage said the President didn't want to go any further in the aid program without "an expression of congressional support." That's what the bipartisan resolutions hope to provide.

Poage also noted a plus at home in sending wheat to India. "It tends to strengthen the wheat market. That is good for the wheat farmer and I think good in turn for the American consumer.

"AS LONG as the commodity is consumed, it has the same affect on the world market," he noted, "regardless of who sells or gives it or who buys or receives it."

More Self-Help by India on Food Urged in House

By FELIX BELAIR JR.

Special to The New York Times

WASHINGTON, March 1 —

House and Senate hearings on President Johnson's plan to send more food aid to India erupted today in angry demands that the New Delhi government do more to help itself and that United States help be tailored to fit the contributions of other countries.

At each hearing, it was the Agriculture Committee chairman who challenged the Administration position and what is considered the overwhelming sentiment of Congress on a joint resolution that would approve the allocation of three million tons of food grain to India. It would also approve an additional \$25-million worth of food to be distributed by American voluntary agencies in the states of Bihar and Uttar Pradesh.

Ottinger Testifies

Representative W. R. Poage, Democrat of Texas, head of the House panel, likened India to "an applicant for public charity" and suggested that its self-help effort fell far short of what could be expected from an individual or government in that position.

"I want to dissociate myself from any idea that we have any specific obligation to India," Mr. Poage said, "willing as we always are to help our friends."

Representative Richard L. Ottinger, Democrat of Westchester, appearing as a witness, suggested that by requiring contributions from other countries the United States gave the

"appearance of using human starvation as a bargaining tool," Mr. Poage shouted in retort.

"I introduced this resolution in good faith, and if other nations don't kick in then I think we'd better recognize that we've taken on an impossible task and abandon that task right now. It is worse than wasteful for us to keep putting food into a country that won't help itself."

President Johnson, in his message to Congress requesting the resolution, said that he already had ample authority in law to make the food allocation but that Congress and the executive branch should act together in the matter because of the scope and importance of the aid involved.

Some Administration officials suggested at the time that the resolution and resulting debate would do more harm than good.

Controversy today in the Senate panel also centered on the wording of the resolution, including a provision that would permit shipment of more than three million tons of food grain in the event the United States total was not matched by other countries.

Demand by Ellender

Senator Allen J. Ellender, chairman of the Senate committee, told Secretary of Agriculture Orville L. Freeman that he would insist on an absolute ceiling of three million tons even if other countries did not match that amount or if India's need proved larger than present estimates.

The Louisiana Democrat asked the Secretary what the United

States would do under the resolution if other countries did not match its tonnage.

"If they don't we'll have to cross that bridge when we get to it," Mr. Freeman replied.

"I want to cross it right now," Senator Ellender snapped. "I want it written into the resolution. If we leave the door open, then sure as we're sitting here we'll carry the whole burden."

Mr. Freeman said he did not want the resolution softened.

"We have to be tough-minded in negotiations," he said.

He disagreed with Senator George McGovern, Democrat of South Dakota, that the present wording would "paint us into a corner."

The Secretary's position appeared at variance with that of the State Department. Eugene V. Rostow, Under Secretary of State for political affairs, told House and Senate members at a briefing at the State Department earlier that he had no objection to language intended to make the resolution "more flexible."

Mr. Freeman told the Senate group India would have to import 10 million tons of food grains this year. He estimated that 2.3 million tons was now on the way, of which the United States provided 1.6 million tons and Canada, Australia and the Soviet Union the rest. Mr. Johnson last month announced a two-million-ton allocation by the United States, leaving a deficit of 5.7 million tons.

It is this shortage that the three million tons provided for in the resolution seeks to redress.

For Aid

Stake in India

Under existing authority, by decision of President Johnson, famine-relief aid to India continues. Hearings on a House resolution which would indorse that decision have developed testimony strongly supporting it, and supporting further the President's view that the flow of assistance should be maintained on a regular basis, up to 60 per cent of the Indian need for imported foodgrains; with other nations making up the difference.

One of the conditions is that India make every effort to increase the efficiency and volume of its own agricultural production. On this point Eugene V. Rostow, Under Secretary of State for political affairs, tells the House Agricultural Committee that dramatic steps have been taken, only to be "masked" by the temporary misfortune of two successive years of severe drought. Nobody would be helped, Mr. Rostow says, if the Indian Government were forced, because of the drought, to spend its scarce foreign exchange resources for emergency food and therefore to postpone agricultural and economic development already programmed.

Secretary of Agriculture Freeman points out that Indian public investment in agriculture in the new five-year plan is to be doubled, with allocations in this fiscal year up by 43 per cent. Our purpose as well as India's, Mr. Freeman says, is to speed the time when massive outside help will no longer be necessary.

From the American point of view the large fact is that, when we look at Asia as a whole, we have an important stake in the fate of the Indian democracy, whose success depends on the attainment of economic viability. For humanitarian reasons, in the present season of distress, we are acting toward India as we should act. For reasons of long-range policy, we must support the Indian striving toward self-sufficiency.

Gen. Aid

March 10, 1967

HOUSE BACKS RISE IN GRAIN TO INDIA

President's Plan to Provide
3 Million More Tons Is
Supported 310 to 63

By FELIX BELAIR Jr.

Special to The New York Times

WASHINGTON, March 9

The House approved and sent to the Senate today a resolution supporting President Johnson's request for three million more tons of food grain for India during 1967 and providing \$190-million for its purchase.

The vote, 310 to 63, followed assurances by managers of the measure that its language requiring matching contributions from other donor countries would not limit United States shipments to three million tons in the event that more grain was needed to prevent famine in India.

The assurance, from Representative W. R. Poage, Democrat of Texas who is chairman of the Agriculture Committee, came in response to demands from Richard L. Ottinger, Democrat of New York.

Mr. Ottinger said that estimates of India's food shortage for the present fiscal year were already "out of date" and that more than three million tons of grain would be needed even if the United States supplies were matched by other nations.

In addition to the basic three-million-ton contribution and the money to pay for it, the resolution authorized would authorize \$25-million for emergency food distribution by United States voluntary organizations in the hardest hit Indian states of Bihar and Uttar Pradesh.

Mr. Ottinger spearheaded a bipartisan drive of House liberals of both parties to insure that there would be no three-million-ton limitation in the resolution "lest it be supposed that human starvation is being used by the United States as leverage to insure food or equivalent contributions from other countries."

The Administration-sponsored resolution has assumed a total Indian food import requirement this year of 10 million tons of food grain. The assumption was based on an Indian Government survey last August. Of the total shortage, the United States proposed to supply 6.6 million tons, with other countries providing 3.4 million tons.

In the first half of the fiscal year, which ends July 1, the United States contributed 3.6 million tons to India.

The matching requirement of the resolution, voted on today, would apply only in the second half of this year. During this period, beginning last January

1, the United States contribution would be three million more tons. In the same six months, other countries would be expected to provide 2.67 million tons to bring their 1967 contribution up to the 3.4 million supply.

Mr. Ottinger told the House today, however, that the Administration was already in possession of confirmed estimates that the Indian food deficit would be at least 14 million rather than 10 million tons of food grain because crops had not and would not measure up to expectations.

"If other nations do not provide a full three million tons, or if India's requirements substantially exceed 10 million tons," asked Mr. Ottinger, "will the Administration come back to Congress for another resolution consenting to the allocation of an additional amount of food grains?"

Mr. Poage indicated in his response that there was nothing in the current resolution to prevent such a course, that there might be a supplementary resolution or might not, but that in any case the United States would not "permit mass starvation in India."

Actually, the President has ample authority under the Food for Peace Act to provide any amount of food supplies to India or any other friendly nation. He requested that Congress concur by resolution in his current plan as part of his strategy of getting other countries to help carry the Indian food aid burden.



Help for India

The house has passed and sent to the senate a resolution endorsing President Johnson's request for three million more tons of food grains for India in this coming year and providing \$190 million to buy it. The grain will go to help meet a 10 million ton shortage that threatens India with large pockets of starvation. The resolution also provided \$25 million for grain distribution by United States voluntary organizations to the hard hit Indian states of Bihar and Uttar Pradesh.

The president asked for the authorization in February and said that it is basic policy of this country to give its grain aid through the India aid consortium, a group of nations organized under the World bank. Under the consortium plan, and based on the Indian government's estimates of need last August, the United States was to provide a total of 6.6 million tons of grain while other countries provided 3.4 million tons to meet an estimated 10 million ton shortage.

There are signs that India's need has passed its original estimates. Rep. Ottinger (D-N. Y.) says that most recent word out of India is that the grain shortage may reach 14 million tons because crop estimates have proved too low. He received assurance from the chairman of the house agriculture committee that the resolution authorizing the new grain shipment would not bar future allocations should the need arise.

President Johnson said in February that this country is committed to helping India become self-sufficient in grain by 1970. He stressed the need to increase shipments of fertilizers and better seed grain to that end. But the worsening conditions may make that goal elusive, to say the least. The immediate problem is to prevent starvation. The house has acted responsibly to that end and the senate may be expected to follow suit. The United States has always been ready to feed those in need over the world.

200-11-10

March 13, 1967

THE CURSE OF MALTHUS IN A MODERN WORLD

MORE than half the people on earth are hungry. Nearly 10,000—mostly children—starve to death each day. And relief is not in sight. Indeed, says William S. Gaud, administrator of the U. S. Agency for International Development, "the world is losing the struggle to feed itself." Gloomy reflection on the state of the world's stomach is, of course, nothing new. In a 1798 "Essay on the Principle of Population," the English economist-sociologist Thomas Robert Malthus contended that only periodic cycles of war, famine and disease could keep population within the limit imposed by the availability of food.

Since Malthus's day, new factors have come into play. Science has given mankind simple and reliable means to limit the species' reproduction—a tool whose use, however, remains limited by cultural and religious inhibitions. Meantime, agricultural technology has led to levels of productivity unimaginable a short generation ago, let alone in 18th century England. Yet in today's world, where war and starvation and disease still are limiting factors on population, much of the Malthusian insight must be conceded to remain valid.

"Starvation used to be the silent way of death," one of Gaud's AID assistants recently told a religious seminar in Washington. "Not any more. Instead of silence, it can mean a resounding roar of violence. Today, people know they no longer have to die of starvation passively and quietly, not bothering the affluent of the world."

Last year, while the world population increased by more than 70 million, world food production stood still as it had the year before. At the present rate, by 1975 the free world's underdeveloped countries alone will have an annual food deficit greater than the entire present U. S. wheat crop. Plainly, answers must be found.

In the current fiscal year, AID has committed a total of about 504 million dollars in agricultural assistance. Next year, the figure will be nearer 660 million, Gaud notes. The bulk of this commitment is in ongoing programs aimed at creating the base of knowledge and research that will enable hungry countries to make the transition from primitive subsistence farming to modern food production. At the same time, the U. S. last year assisted more than 20 countries in creating voluntary family-planning programs.

What Gaud does not say—but what should be obvious from the utter failure thus far to even begin to close the food-population gap—is that the outlook is for more rather than less commitment on the part of the developed nations. The responsibility is not this nation's alone, as President Johnson has made plain. Nor can the U. S. avoid the responsibility and any well-fed American who finds that prospect vexing might wish to renew his acquaintance with Thomas Malthus—the long-dead Englishman whose pessimism survives to haunt us.

March 17, 1967

JOHNSON REVAMPS FOOD AID PROGRAM

Places Control in the Hands
of 2 New Committees

By FELIX BELAIR Jr.

Special to The New York Times

WASHINGTON, March 15—President Johnson has signed an executive order designed to end the bureaucratic struggle for control of the \$7.4-billion Food for Freedom Program.

The order places over-all direction of the program in a War on Hunger Policy Committee. The Secretary of State will be chairman. Other members include the Secretary of Agriculture, the Director of the Budget and the administrator of the Agency for International Development.

The order provides for an additional executive committee to be headed by the assistant administrator of the Agency for International Development, Herbert J. Waters, who is chief of the agency's War on Hunger Office.

This second group would have immediate control of the program, for which Congress last year appropriated \$3.7-million a year.

If the reorganization operates as intended, it will provide positive leadership and direction to the Food for Freedom Program for the first time since October, 1965.

Office Downgraded

President Johnson at that time downgraded the office of Food for Peace from an adjunct of the White House to a small advisory office in the State Department.

The office ceased to function in any capacity when Richard W. Reuter resigned in dismay as a special assistant to the Secretary of State.

The President's order defining jurisdictions and the chain of command in the campaign against hunger came as the Senate gave routine approval to a resolution supporting Mr. Johnson's request for authority to send 3 million more tons of food grains to India and for \$190-million more to pay for it.

The voice vote approving the measure came after an explanation of the proposal by Senator Jack Miller, Republican of Iowa. The House approved the resolution last week. The Senate Agriculture Committee added its endorsement yesterday.

President Johnson had ample authority under existing law to allocate the extra 3 million tons for India. A total of 3.6 million tons was committed for shipment earlier this year. But the President requested the resolution as a means of establishing the concept of matching contributions by other donor countries.

Matching Contributions

The resolution authorizes the allocation of "up to 3 million tons" of food grains to India, provided this amount is matched by other contributions of food, capital, fertilizer or farm equipment by other countries, including the Soviet Union.

A group of Senate liberals of both parties, led by Senator George McGovern, Democrat of South Dakota, had planned to oppose the resolution because of the apparent limitation it imposed. In a statement after the resolution passed, Senator McGovern said:

"I have been concerned that the resolution might have the effect of painting us into a corner so that we would be unable to meet additional Indian food needs if present estimates are in error."

"I have been assured, however, by Under Secretary of State Eugene V. Rostow and Secretary of Agriculture Orville L. Freeman that there is enough leeway in the resolution and in the Administration's position so that we can meet unforeseen food needs in India should present estimates be in error. On the basis of these assurances I decided not to oppose the resolution."

Purpose Is Defined

The President's executive order defined the purpose of the War on Hunger Policy Committee as reviewing and coordinating policies for the new Food for Peace Act as well as those involving capital and technical assistance, research related to food production and distribution, voluntary population control programs in developing countries and agricultural self-help activities in such areas.

The executive committee would be established at the discretion of the top policy group. It would have an advisory role, but it could undertake any assignments approved by the policy committee. Actually, plans were well advanced for the executive group to become the operating arm of the Secretary of State.

A third group to be known as the Interagency Staff Committee on Food for Freedom is also provided for in the President's order. Its members would be representatives of the Departments of State, Agriculture, the Treasury, Commerce and Defense; the Bureau of the Budget and the Agency for International Development.

Functions of Staff Unit

The chairman of this group would be the representative of the Agriculture Department. It would develop and review proposed programs under the new law and coordinate functions delegated or assigned by the new order.

Unresolved issues arising with the staff group would be referred to the executive committee or any other group designated by the policy group.

Although the President's order clears up many lines of presently conflicting jurisdiction, it appears to create a new conflict with Congress.

Johnson's Aid

The impending world food shortage

A shortage of food in the world is staring mankind in the face. This is now or certainly soon will be the world's greatest problem, overshadowing even the possibility of thermonuclear warfare.

In simplest terms, this is the problem: The world's food supply is rising at an average rate of 1 percent a year; the world's population is rising almost twice as fast. That means that by the year 2000, the world's 3.5 billion people will have doubled in number and the average food per mouth will have dropped below the absolute starvation level.

Long before that time, however, many millions of people will have died from insufficient food. Sen. J. William Fulbright has pointed out that 10,000 persons, mostly children, already are dying every day from malnutrition.

Obviously, there are two ways to avert this forthcoming crisis: To rapidly expand the food supply, or to slow the rate of population increase. Many world population experts believe we have already passed the point of no return in so far as increasing the food supply fast enough to avert a crisis. The advanced nations, such as the United States, still have a significant potential for growing more food. But the underdeveloped part of the world, where the food problem is most critical, has made discouragingly little advance toward improving its agricultural methods and toward utilizing fertilizer and pesticides to expand food production.

No one yet knows for sure what im-

pact modern birth control methods will have on future population growth, but there are signs that the birth control pill, when it is widely distributed over the world and is better understood, may dramatically curb population growth. This may be the long-awaited answer to the food crisis, despite many prevailing religious attitudes which discourage use of the pill.

The Planned Parenthood World Population Organization says 11 million women in the world now voluntarily use birth control pills. About half of these women live in the United States, where the pill and other birth control techniques have been widely publicized.

A Cornell University sociologist asserts that 40 to 65 percent of the married women in Latin America now practice birth control, and there exists in that part of the world a great thirst for knowledge and a need for enlightenment on birth control techniques.

The Soviet Union has made the decision to mass produce the pills for its population.

In the United States, the Public Health Department estimates that there were 131,000 fewer births last year than in the year before, and the birth rate has reached its lowest level since 1936, even though the marriage rate is going up. Apparently, many married Americans are planning their families. This may presage a future trend in the rest of the world, once modern birth control methods are understood and once the pill and other devices are readily available.

AID EXPERTS RAISE A SELF-HELP ISSUE

The Question Is, How Far
Can Nations Be Pushed?

By FELIX BELAIR Jr.

Special to The New York Times

WASHINGTON, April 1 —

How far and how fast can the less developed countries be pushed toward helping themselves under United States foreign aid programs without raising demands of "Yankee, go home?"

The question is being asked increasingly by Government development experts preparing for the opening Wednesday of Congressional hearings on President Johnson's \$3.1 billion foreign aid request. The amount includes \$2.5-billion for economic aid.

Behind the question is President Johnson's inclusion in the new legislation of specific self-help criteria, his insistence that "action, not promises must be the standard of our assistance," and his demand that any new economic aid commitment have his personal approval.

The answer to the question will depend on how fully the governments and people of the developing countries are committed to making the sacrifices required for economic growth.

But unless Americans on the scene use consummate tact and flexibility in applying self-help standards, the result of the aid could be a wave of resentment in direct proportion to the efficiency of its administration. This may have been a factor in the severe setback for the Congress party in the recent elections in India.

Operating now under the policy thumb of the State Department and with the White House looking over their shoulder, some development experts are concerned, not that United States aid conditions will be too leniently applied, but that, for tactical and political reasons in recipient countries, they may be too toughly administered in the wrong places and for the wrong reasons.

Criteria in Bill

The Administration bill requires the President, when furnishing economic aid, to take into account the extent to which the recipient country is helping itself along the following lines:

¶ "Making economic, social and political reforms, such as tax collection improvements, changes in land tenure arrangements, that will enable it to achieve development objectives more efficiently and justly."

¶ "Creating a favorable climate for private enterprise and investment, both domestic and foreign."

¶ "Increasing the role of the people in the development process."

¶ "Taking measures to improve food production and improve the means for storage and distribution of food."

¶ "Allocating Government expenditures to key development areas, including agriculture, health and education, and not diverting them for unnecessary military purposes or intervention in the affairs of other free and independent nations."

¶ "Demonstrating a willingness to make contributions of its own to the projects and programs for which the assistance is provided."

¶ "Otherwise showing a responsiveness to the vital economic, political and social concerns of its people and demonstrating a clear determination to take effective self-help measures."

These criteria, although set down in the pending legislation for the first time, are far from new. The Administration's purpose in listing them appears to be to satisfy Congressional demands for a "get tough" policy aimed at achieving some quick development results.

The Agency for International Development will present its justification of the new program to the House Foreign Affairs Committee on Wednesday. Its presentation will make clear that "self-help is not a new concept."

'Standard Practice'

"A.I.D. has recognized since its inception in 1961 that self-help is vital to the development process," states the basic presentation document. "Since that time, the stimulation of self-help has evolved from policy to standard practice and procedure until it has become a pervasive feature of the A.I.D. program." The document goes on to say:

"While the act sets forth the main criteria to be applied, it must be recognized that not all the criteria are applicable or relevant to every aid-recipient country. The obstacles to development which self-help requirements are meant to combat have evolved over centuries in different ways in different countries."

"Self-help requirements must be tailored to the particular situation in an individual country, and cannot be rigidly applied in generalized or standardized form. In some countries, for example, increased agricultural production may be the first priority while, in another, budgetary reform may be of paramount importance."

"More can be expected from countries with stable governments than from countries facing political crises. If we are to achieve lasting results, moreover, we cannot reasonably demand or expect immediate solutions to age-old problems."

This is another way of saying that while self-help measures are effective and indispensable tools of economic development, they are rarely popular. Old ways are not easily changed. And trying to change them can be a risky business for the governments making the effort.

The aid agency's presentation to Congress states that "insistence on self-help does not mean attaching political 'strings' to United States aid."

"It does mean," the document says, "that we should not waste our limited funds on countries which do not have sensible programs for mobilizing their own resources; are not prepared to carry out reforms; are not willing to improve their ability to feed their people; do not work to stimulate their own people as well as investors from abroad to undertake new and expanded private initiatives; have not embarked on the difficult task of building democratic institutions to insure wide participation in the affairs of the nation."

PRESIDENT SIGNS INDIA FOOD PLAN

Praises Congress; Requests
Aid From Other Nations

[By a Staff Correspondent]

Johnson City, Texas, April 1—President Johnson today signed the joint congressional resolution approving his emergency food plan for India, and reiterated his plea that other nations should play a role in preventing famine.

Praising the congressional endorsing of the food assistance resolution as "a new expression of America's commitment" to a humane task, the President asserted "hunger transcends national borders and ideologies."

He appealed to "nations which have not been associated with this effort in the past" to join America, "either formally or informally" in responding to critical food shortages in other lands.

American Faith

The joint resolution, said Mr. Johnson, demonstrated American faith in Indian capacity to achieve self-sufficiency in food grain production and underlined the fact that success depends on the help of other nations.

"The United States is not able to supply all the assistance that India needs," he declared, noting that the resolution, which provides up to 3,000,000 tons of food grain for India, "is contingent on matching appropriate contributions from other countries."

He noted that the World Bank had called a meeting of nations belonging to the India Consortium for early this month to discuss Indian economic problems, and appealed to those attending to continue and expand their food and general economic aid.

April 4, 1967

International test

Aid-to-India plan snagged

By Saville R. Davis

Staff correspondent of
The Christian Science Monitor

Washington

In an important test case, the effort of the rich nations to help the poor nations has struck a snag. Carefully laid plans to provide an abundance of desperately needed low-cost fertilizer for India are in danger of collapse.

Neither American capitalism nor Indian socialism has been able to adjust sufficiently to the other to bring the deal off.

The crisis has come because a group of American oil and chemical companies now seems to have rejected a series of concessions, arranged at great difficulty by the governments of the United States and India, to attract them into that country. These companies are among the very few that are strong enough, and equipped with the new technology and know-how, to build huge, low-cost fertilizer plants.

The threatened breakdown of the plan has sent shudders through the whole structure of international aid.

Pope's plea recalled

Unless the American companies reconsider, it is expected that the role of private investment in the field of international development will itself have to be reconsidered, at least for big projects of this sort.

Alternatives lead off in another direction, that of international public financing. Two conferences have been held under United Nations auspices on "financing fertilizer projects more with a view to satisfying needs than with a view to returns on capital invested," and on using low-cost natural gas as a raw material. The UN Economic and Social Council recently instructed the secretary-general to pursue these and make recommendations.

Almost the same language was used by Pope Paul VI in his latest encyclical. The rich countries should aid the poor, he said, not just to make a profit, but to meet a human need.

Informal discussions have been held in Washington at various levels on proposals to declare fertilizer a special case, and to give it special treatment, because of the rapidly mounting danger of mass famine in many countries and their inability as yet to check population growth.

It is argued that with efficient production under an international public authority, the price of fertilizer could be dropped well below the level that the private companies are capable of attaining.

In his recent message to Congress on food for India, President Johnson said: "Last February I proposed that all mankind join in a war against man's oldest enemy: hunger. . . . The problem is immense."

However, President Johnson and his administration have worked hard, over a long period, to bring private American companies into the fertilizer field. They persuaded Indian Prime Minister Indira Gandhi to make a large number of concessions to free the American companies from many kinds of restrictive rules and decisions that regulate socialist planning but inhibit the American type of enterprise.

They took the same characteristically American approach to the whole range of foreign aid as well as to fertilizer. Congress is now holding hearings on the administration foreign-aid bill. It calls for "creating a favorable climate for free enterprise" and requires this as a condition of American aid. So also does it require "a clear determination [by the developing countries] to take effective self-help measures."

Arguments hard to sift

It is too early, therefore, to anticipate what the President and his advisers in this field will decide to do, if the oil and chemical companies continue to decline to go into India.

It is also very difficult for anyone, not privy to the long and complex negotiations between the companies and the two governments, to sort out the pros and cons of the argument between them. The companies say that lower officials in the Indian Government have repeatedly failed to make good on agreements negotiated at the top, and that Indian politics is such that the Prime Minister's office could not, or would not, compel them to.

Indian officials, on the other hand, argue that the American companies frequently sprang new demands on them, or otherwise sought what the Indians considered the right to exploit the Indian market. The history of negotiations between underdeveloped countries and the Western oil industry, especially in the colonial era, did not help, and there appears to have been rough tactics on both sides.

However, there are strong feelings in some quarters here that the Indian Government went very far in its offer of concessions that now has been extended until the end of 1967. There is acute disappointment and some disillusion that the American companies did not accept.

There are also concern and differences of opinion here over what to do next if the companies do not soften their positions or come up with some workable set of suggestions for what they would need, from the Indian Government, in the way of assurances and guarantees. Until President Johnson himself takes a position, there will be no new direction of American policy.

It is also argued, here, that very persuasive reasons and proposals would have to be advanced, in support of publicly financed fertilizer plants built in the public sector in India, to change the direction of President Johnson's strong support for private capital—unless the private companies have ended the argument by taking themselves out of the picture.

They are said to think there is not enough stability in Prime Minister Gandhi's government, with its narrow margin in the Parliament and the growth of left-wing parties and candidates. They question whether Mrs. Gandhi's present assurances would be honored by future left-wing regimes.

So the question of some alternative to the private companies is no longer academic here.

Foreign aid

THE U. S. WILL BE HELPED IN FEEDING INDIA

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THE United States has scored a major accomplishment within the international aid consortium by getting other nations to share substantially in food aid to India.

In a meeting in Paris last week, the consortium agreed to supply India with 10 million tons of food grains. This figure is the estimated need to make up that hungry nation's deficit for this year. The United States, as it has previously offered, will supply 6.6 million tons. Canada has increased its contribution to 700,000 tons. The remainder will be provided by other nations which will contribute money but do not have grain surpluses of their own.

The monetary aid will come through the International Bank for Reconstruction and Development, which heads the 10-nation consortium. In addition to the United States and Canada, this group includes Austria, Belgium, Britain, France, Germany, Italy, Japan and the Netherlands.

For several years, the United States was almost alone in helping India combat famine. In an emergency situation this past year, Canada, Australia and even Russia also made contributions.

It had become obvious that the United States alone could not continue to bear the burden of feeding India. In fact, it was becoming apparent that the only long-time solution to India's needs was to help that nation increase its own production.

So, in recent months, President Johnson has been insisting upon a 2-pronged attack. First, he urged other nations to join with the U. S. in overcoming India's deficit for the short term. He pledged American resources for a major part of the load. Second, he asked other nations to assist in India's long-term problem of boosting its own production.

The 10-nation consortium already had been aiding India materially, in general economic development. Now food relief is being made a part of that multilateral assistance program. India has appreciated the industrial aid and, in fact, was worried that the addition of food help might detract from it. Apparently the Indian government was assured in Paris last week this would not be the case.

The consortium agreement would appear to be a new phase in international co-operation, a phase pointing toward a solution to one of the world's great problems—the problem of preventing starvation in overpopulated, underdeveloped nations.

Asian Aid

More Population Aid

THROUGH our foreign aid, the United States has provided hospitals, medicines, DDT, food and fertilizer that have helped hundreds of millions of people in underdeveloped nations to live longer themselves, and to see their newborn infants stand a better chance of survival. A humane thing to do.

But it is obvious we made a mistake to help bring about sharply declining death rates without simultaneously taking steps to hold down high birth rates. As a result the world is confronted with a "population explosion," the consequences of which still don't seem to hit us on the head as they should.

Population growth is climbing right through the ceiling. British-ruled India, 20 years ago, had 380 million people; today that subcontinent holds 610 million. Indonesia had 55 million people in 1947; today the total is 106 million. The Philippines' population in 1946 was 19 million; today it's 34 million. Brazil had 47 million people in 1946; today the figure is 85 million.

Population growth on that scale is just too much. These nations, by their own efforts and generous foreign aid, cannot build enough schools, create enough jobs or—most ominous of all—grow enough food to keep pace.

If the present trend continues, the world's 3,500,000,000 population will double by the year 2000 and there will be mass starvation, misery and political turmoil the likes of which the world has never seen.

Some experts think as early as 1975 some

nations will see widespread famine, despite the best efforts to increase the world's food supply.

The United States led the fight in World War II against the forces of aggression; we led the world in forming the United Nations; we have defended freedom in the great tests of the postwar world; we have led the way in improving the lot of peoples through economic aid.

But we cannot seem to act as leaders in this great, on-rushing population problem that is second, in President Johnson's phrase, only to war itself.

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The Agency for International Development (AID) is at last waking up to the need for action. Director William Gaud told congressmen last week that AID would go beyond the studies, research and timid advice to which it has limited itself and now will provide family planning contraceptives, notably birth control pills, to friendly governments requesting them.

For population activities in the new fiscal year he asked for 20 million dollars (which is what the Interior Dept.'s Bureau of Sport Fisheries and Wildlife spent for "wildlife restoration" last year).

But AID is still just dabbling with the problem. Many more doctors, nurses, demographers, administrators and educators and much more high-level fervor will have to be put into the effort if the population problem is going to be tackled in time.

India Now on Edge Over LBJ's Delay In Releasing Grain

By Warren Unna
Washington Post Foreign Service

NEW DELHI, June 2—India is on edge over President Johnson's delay in approving release of an expected 1.5 million tons of food grain. Officials here now fear there will be a ship-arrival gap in September, seriously interrupting India's precarious ship-to-mouth existence.

The Indian government, however, has just received Washington's approval for a reimbursable purchase of 400,000 tons of grains. This means that grain imports will be arriving here at least until late August and that India will be compensated for the amount she now will be purchasing in the American open market. India also now is undertaking to purchase another 200,000 tons of U.S. open market grain in a straight commercial transaction.

But while the American Embassy here is valiantly insisting that they know of nothing to indicate India's big 1.5 million tons of anticipated grain won't come through eventually, Indian officials are undisguisedly anxious.

LBJ Temper

They are recalling the uncertainty and inability to plan at the turn of the year when President Johnson let everyone guess as he tried to get more nations to share in feeding hungry India. And Indian officials are exceedingly reluctant to be caught complaining now because, as one of them explained, "If your President grew furious at the advance publication of a photograph of his daughter's wedding dress, we're not sure how he might react on this one."

Actually, no specific date ever was set for Mr. Johnson's releasing the new grain shipment. Earlier in the year, Congress approved the Presi-

dent's proposal to add another 3 million tons to the 2.2 million already promised India—providing it was matched in grain, cash or such farm inputs as fertilizer by other donor nations.

At a meeting of Western food consortium nations in April pledges were made to match the first 1.5 million tons of the U.S. standby offer.

Now India is waiting for President Johnson to honor his offer.

President's Motive?

All sorts of motives for presidential delay are being guessed at: India's support of the Egyptian cause in the current Middle Eastern confrontation with Israel; Prime Minister Gandhi's birthday greeting last month to North Vietnam President Ho Chi Minh, in which she appeared particularly effusive; the President's skepticism that some of the food-matching orders are not really solid; or perhaps just the sheer volume of White House decisions demanding Mr. Johnson's attention which may leave India's grain needs at the bottom of the in-basket.

At any event, Indian officials believe the present pinch on internal food allocations would have been less had there been a steadier stream of ship arrivals here during the spring.

The present food crisis is destined to continue through October because the new grain harvest won't start coming in until November. And since it takes some eight to ten weeks for a U.S. grain ship to reach India, any delay now in Washington in approving grain shipments is bound to be felt in the August-September period when India will still be struggling with the effects of two records years of drought.

June 3, 1967

U.S. FOOD AID IS CUT BACK

House Unit Trims Overseas
Program By 167 Million

By RODNEY CROWTHER

[Washington Bureau of The Sun]

Washington, June 2—Worried about the unsettled international situation, the need to maintain adequate food supplies for Vietnam, and shortages for school lunches, the House Appropriations Committee today cut the Administration's Food for Peace free food program by \$167,000,000.

In acting on the annual money bill for the Department of Agriculture and related activities, the committee approved only \$300,000,000 of the budget request for an added \$467,000,000 for donations of free food for foreign lands.

Keep School Program

"With the shortage of commodities for the school lunch program and other food distribution programs here at home, and with the necessity of maintaining adequate food reserves in view of Vietnam and the unsettled international situation, a larger expansion in foreign donations is not warranted," the committee said in its report to the House.

For all activities of the department, including farm price supports, conservation, overseas activities, agricultural research and related programs the bill carried a grand total of \$4,770,580,950, a reduction of \$250,516,450 below the budget request. Of the over-all total \$1,605,500,000 is for all P.L.480, or overseas programs.

The bill carries the full budget request of \$140,000,000 to continue the school milk program, and \$244,000,000 for the school lunch program.

Praising the agricultural conservation program, in which more than 1,000,000 farms participate each year, the committee refused to allow a cutback in the program for next year.

Maintain Farm Income

It approved the full \$220,000,000 to make payments earned under the 1967 program, in accordance with contracts and commitments already made. For the next fiscal year the committee restored the full program authorization to \$220,000,000.

The committee said that the 1968 money bill for agriculture is geared to the urgent necessity of maintaining farm income at a level to meet the food needs of this country as well as our participation in the Food for Peace program.

"At a time when present budgets for other departments of Government call for hundreds of millions of dollars to reclaim our cities, plus other hundreds of millions for a fight against pollution of our streams and water supplies, and when we are spending literally billions of dollars on reclaiming housing in urban areas, it is important, the committee said, "that rural people be enabled to remain in rural areas."

The report points out that funds supplied agriculture have been a diminishing percentage of the entire Government's costs a—down from 7 per cent in 1965 to 4.2 per cent in the 1968 budget.

The committee criticized the Administration budget cut of \$50,000,000 in farm operating loans, saying that cutting "credit to low-income farmers who have no other source of funds with which to plant, cultivate and harvest their crops each year, works against efforts to keep people on the land to prevent overcrowding of our cities.

The bill approves \$195,000,000 for the food stamp program, contingent upon Congress voting the authorization program.

sun. aid

June 5, 1967

The Marshall Plan 20 Years Later

By FELIX BELAIR Jr.
Special to The New York Times

WASHINGTON, June 4—

Twenty years after the United States' historic offer to finance the economic reconstruction of a war-shattered continent, this country and its European partners in the Marshall Plan are restudying that success story for the lessons it holds for the underdeveloped two-thirds of the world.

In Congress, the House Foreign Affairs Committee is nearing the end of hearings on President Johnson's foreign aid request, including \$2.5-billion of economic assistance, and defining in greater detail the self-help imperatives developed in the European Recovery Program.

In Brussels, many of those earlier partnership concept are earlier partnership concept are gathering for discussions aimed at removing the growing apathy, indifference and discouragement over the relatively slow pace of the developing countries toward self-sustaining economic growth.

The miracle of the Marshall Plan can be understood only in the light of Europe's plight when Gen. George Catlett Marshall, as Secretary of State, outlined the United States proposal in an address at Harvard University on June 5, 1947.

The Continent was just emerging from an intensely cold winter. There was a serious shortage of coal and a scarcity of food supplies was aggravated by the onset of serious drought. Run-down factories operated fitfully or slowed to a halt for lack of raw materials and repair parts.

The transport system was in a state of disrepair. The relatively few farmers with produce to sell refused to market their crops for lack of confidence in the inflated currencies. The hopelessness and hunger of tens of millions of unemployed was exploited by the Communists.

The once independent states of Czechoslovakia, Poland, Hungary, Bulgaria and Rumania had been engulfed by the Soviet Union, whose fifth columns were active all over Western Europe. Gold and dollar reserves had been depleted by the purchase of vital imports from the United States, and postwar American credits were exhausted faster than expected as a consequence of mounting prices.

As Ernest Bevin, who was then British Foreign Secretary, put it later, Western Europe was threatened with the possibility of complete economic and political collapse.

A Psychological Transfusion

The effect of Secretary Marshall's pronouncement in this situation has been likened by Paul G. Hoffman, who directed the American side of the partnership, as "a psychological blood transfusion." The validity of his metaphor is indicated by some of the results.

Less than three years after the program began, Western Europe's industrial production was 49 per cent above prewar levels. Output of crude steel was up 25 per cent from the prewar-peak, motor-vehicle production 87 per cent, textile yarns about a third and electric power output 95 per cent above the prewar figure.

Agricultural production had increased about 20 per cent in the same period. Currencies were stabilized. People were eating regularly and were

U.S. and Allies Seek Lessons for Aid to the Poorer Lands

would cost more than \$25-billion. A committee of experts headed by W. Averell Harriman suggested after reviewing the committee estimates that the job could be done for \$17-billion.

Actually, total Congressional appropriations for the Marshall Plan during the four years were just over \$13-billion. In Britain, the recovery process was declared completed 18 months ahead of schedule.

But if there are lessons to be learned from the Marshall Plan experience in the present effort to put more than 70 underdeveloped countries on a self-supporting basis, there are vast differences between the two undertakings. Where one was comparable to an urgent repair job, the other is more like building a structure from the ground up.

Europe in 1947, although battered almost beyond recognition by World War II, had many assets available for economic and social reconstruction. It had extensive transport and communication services, however badly in need of repairs. It had a highly literate population equipped with technical knowledge and skills. Its industrial leaders were still in a position to make vital economic decisions.

Added to these was a network of financing institutions and a seller's market hungry for industrial goods. Thus any investment in recovery and reconstruction was likely to produce prompt results. The Economic Cooperation Administration, which directed the United States side of the operation, estimated when it was over that every \$1 provided by Washington resulted in \$6 of capital formation in Europe.

Morale a Key Factor

An intangible but highly important factor was that of morale. Mr. Hoffman has observed that the reason the Committee for European Economic Cooperation greatly overestimated the cost of Europe's economic recovery was because it underestimated the morale factor. As he put it:

"In early 1947, the morale of the great masses of Europe's people was at a very low ebb. Victors and vanquished alike were suffering the aftereffects of six years of unremitting struggle. They were physically tired, emotionally drained, desperately anxious about the future and largely hopeless about effectively influencing it.

"But when the Marshall Plan began to operate—bringing outside aid but insisting that the peoples and Governments of Europe both could and must carry most of the load themselves—hope returned, and with it the strength and determination to work as never before."

As staggering and complex as was the task of bringing together the countries of Western Europe for a concerted effort of economic reconstruction—Marshall Plan assistance was offered also to the Soviet Union and its Eastern European satellites but was refused—the undertaking in retrospect seems simplicity itself compared with the present development tasks in many areas.

In most of the developing

ties, A management corps must be formed, whether oriented to private enterprise or government control.

The developing lands must establish both government and private administrative machinery for which not even the blueprints were available at the outset. If the waste of money and effort is to be avoided, the more advanced donor nations also have a lot to learn.

In this country, the Agency for International Development has been learning the hard way. Until a few years ago, for instance, experts seemed to think there was something magic about industrial development that would automatically put a newly independent country on the road to economic self-sufficiency.

How many billions of dollars were pumped into developing countries in the often vain pursuit of viability through industrialization is conjectural. When the development priorities were shifted to agriculture, health and education, it was not because 90 per cent of the people of the countries concerned had always been engaged in farming but for much more fundamental considerations.

It gradually became apparent that no amount of investment in industry could have the desired effect until hunger, disease and ignorance were eradicated or brought under control. Perennially hungry, listless and illiterate people cannot contribute much to economic development.

Population Growth High

Worse still, population growth was fast outstripping the undeveloped countries' capacity to feed themselves. Therefore, some development funds had to be diverted to support voluntary family-planning programs, which will be among the self-help criteria spelled out in the new foreign assistance program.

The basic concepts of the Marshall Plan might have suggested an earlier shift in priorities. In his Harvard address, General Marshall said that "our policy is directed not against any country or doctrine but against hunger, poverty, desperation and chaos."

This concept would seem to be no less applicable to the larger challenges of today, for the kind of campaign that the advanced nations must wage as allies now and on an intercontinental scale is basically the same as that for which General Marshall sounded a call in 1947.

Responsible officials feel that unless the wealthy nations wage vigorous war on the poverty, hunger, ignorance, disease and despair that afflict more than half the world's population, widespread economic and political chaos will ensue.

Mr. Hoffman, speaking as director of the United Nations Special Fund two decades after General Marshall's Harvard speech, declared that "as the building of a new Europe was imperative 20 years ago, so today's imperatives dictate the building of a new kind of global community."

"There must be a rapid expansion of the world's economy to meet growing world needs for more goods, services and markets. And there must be a radical improvement in the world's political climate to reduce and eventually eliminate those major international tensions which threaten global peace and security."

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Agricultural production had increased about 20 per cent in the same period. Currencies were stabilized. People were eating regularly and were hard at work.

Nor was this the whole story. The Committee for European Economic Cooperation, through which the 18 Marshall Plan countries were linked, estimated that the recovery program—to be completed in four years—

developed countries on a self-supporting basis, there are vast differences between the two undertakings. Where one was comparable to an urgent repair job, the other is more like building a structure from the ground up.

Europe in 1947, although battered almost beyond recognition by World War II, had many assets available for economic and social reconstruction. It had extensive transport and communication services, however badly in need of repairs. It had a highly literate population equipped with technical knowledge and skills. Its industrial leaders were still in a position to make vital economic decisions.

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As staggering and complex as was the task of bringing together the countries of Western Europe for a concerted effort of economic reconstruction—Marshall Plan assistance was offered also to the Soviet Union and its Eastern European satellites but was refused—the undertaking in retrospect seems simplicity itself compared with the present development tasks in many areas.

In most of the developing countries, the facilities, institutions and skills that Western Europe already possessed have yet to be created. There is the job of building, often from scratch, the roads, railways, seaports, dams, irrigation works, hospitals, schools and universi-

were pumped into developing countries in the often vain pursuit of viability through industrialization is conjectural. When the development priorities were shifted to agriculture, health and education, it was not because 90 per cent of the people of the countries concerned had always been engaged in farming but for much more fundamental considerations.

It gradually became apparent that no amount of investment in industry could have the desired effect until hunger, disease and ignorance were eradicated or brought under control. Perennially hungry, listless and illiterate people cannot contribute much to economic development.

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"There must be a rapid expansion of the world's economy to meet growing world needs for more goods, services and markets. And there must be a radical improvement in the world's political climate to reduce and eventually eliminate those major international tensions which threaten global peace and security."

"But neither of these great goals is attainable so long as more than 1.5 billion people are producing less than they need and living, thanks to modern communications, almost on the doorstep of their far wealthier and more fortunate neighbors."

Foreign Aid

JOHNSON PRESSED ON HUNGER FIGHT

World Food Panel's Report
Says He Delays Action

By FELIX BELAIR Jr.
Special to The New York Times

WASHINGTON, June 9—The Committee on the World Food Crisis demanded today that the Administration stop talking and start doing something about the onslaught of massive starvation throughout underdeveloped areas of the world.

A statement by the organization's executive committee said that Government and business leaders, voluntary agencies and others were agreed that famines were inevitable unless the campaign against hunger was vigorously waged. But it said, the Administration was committing only about half the funds authorized by Congress for the purpose.

"This committee has awaited with patience the implementation of the Food for Peace Act of 1966," the group said.

"The time has now come for the President to fix responsibility for the utilization of our production and productive capacity, our ability to provide technical assistance and development aid, and see that the war on hunger is waged to the limit of our ability."

Economy Represented

The committee is a national organization that includes representatives of all segments of the economy. Its chairman is Herschel D. Newsom, master of the National Grange.

The statement, issued after a meeting of the executive committee, recalled that President Johnson asked Congress last year to authorize \$3.3-billion annually for five years for his Food for Freedom program.

While the most recent legislation is entitled the Food for Peace Act Mr. Johnson almost always refers to it as Food for Freedom. In fact, a still unsigned Executive order on the program refers to Food for Freedom.

"Although Congress reduced this request and authorized \$2.5-billion for each of 1967 and 1968, plus a carryover of \$2.4-billion," the report said, "we are unable to ascertain that much over one half of the reduced amount authorized is being committed and utilized."

The committee's chief complaint was over the President's failure to sign an Executive order prepared months ago by the Budget Bureau. The order divided responsibility for the \$7.4-billion food aid program between the Agency for International Development and the State and Agriculture Departments.

Congressional supporters of the Food for Peace program contend that this division within the Administration has been responsible for the President's delay in signing a commitment of 1.5-million bushels of food grains for India that Congress authorized at his request several months ago.

In the first four months of this year, according to these sources, the United States completed seven agreements with other countries involving \$270-million of Food for Peace shipments, according to these sources. In the corresponding period last year, 32 agreements involving food shipments worth \$870-million were completed.

"Spokesmen for Government, business voluntary agencies and others have stressed the tremendous job faced by all the people of the world to avoid massive famines," the Food Crisis Committee said.

Questions Asked

"Why then do we not immediately fully utilize all legislation and authorizations at our command?" the report continued. "The President's science advisers have briefed him on their impending report confirming the disastrous food and population outlook for the world."

"When 10,000 people die of starvation every day and the prospect is that this number will be doubling and quadrupling before 1980, should we not mobilize all of our resources now?"

"We believe that this nation's best interests cannot be served until the Administration coordinates and uses the authorization and powers of all its agencies to bring about our total mobilization for and engagement in the war against hunger."

For list

FOOD CRISIS STIRS GOP TASK FORCE

Group Asks Intensive Study
Of World-Wide Problem

By RODNEY CROWTHER
(Washington Bureau of The Sun)

Washington, June 22—Declaring that "the world is rapidly losing the race between an adequate food supply and a growing population," a Republican task force on agriculture today called for creation a special bipartisan commission to study the problem.

Proposed was an eighteen-member group composed of four congressmen, four senators, and ten others appointed by the President which would have the job of making a penetrating inquiry into the approaching world food shortage.

Proposal Issued

Last week, a presidential commission warned that the world faces a major food crisis by 1985 unless steps are taken to expand agricultural productivity and to bring population growth under control.

The Republican group, headed by Representative Langen (R., Minn.) said in issuing its proposal:

"The United States cannot play an effective role in feeding the hungry world, and fight a war, unless American agriculture is assured that its productive efforts will be equitably rewarded."

"Present low farm prices, the alarming increase in agricultural imports, and the extent to which American agriculture was shortchanged by the Kennedy Round trade agreement in Geneva points up the urgent need for a penetrating inquiry into all aspects of the approaching world food shortage."

Besides proposing creation of the bi-partisan commission—a proposal similar to the one Republicans advanced last year—the Langen group proposed a fifteen-point program for the commission to pursue. It would be required to report to the President and the congress by December 31, 1968.

Among other things, the commission would be asked to determine "the extent to which the United States domestic agricultural production could be utilized to meet the United States domestic needs, necessary reserves and help meet the world needs as well, at domestic prices which are fair and profitable to American farmers."

A Plan To Feed The World

IT is no secret that the world is in the throes of a race between food supply and population increase, and that food is losing. In fact, the matter has been subjected to "rhetorical overkill."

As President Johnson said in his State of the Union message last January: "The time for rhetoric has clearly passed. The time for concerted action is here and we must get on with the job."

With the release of a report of a presidential committee on "the world food problem" the United States now has the most complete description of the problem ever drawn, together with some recommendations for action. Nearly all governments on the planet requested copies of the report even before it was published.

What the experts say is that the growing world food shortage demands, without delay, a massive, long-range effort by developed and underdeveloped countries and international organizations. If it is not solved by 1985, they argue, four-fifths of the world's people will be racked with famine, malnutrition, civil strife, social unrest and political upheaval.

The report makes these main points:

—Most of the increase in food supply must come from increased production of farm crops in food-short regions, especially Asia, but also Latin America and Africa. Food-surplus nations such as the U. S. cannot come close to meeting the need.

—The traditional subsistence farming in the hungry nations must be converted into modern commercial agriculture if their food needs are to be solved. That means they will have to invest much more money in better seeds, fertilizer, pesticides, irrigation, farm tools, storage facilities, farm-to-market roads, education for farmers and incentives to farmers through land reform, market prices and credit.

—Family planning will not itself solve the world food problem, though it will reduce it.

For the U. S., the presidential committee recommended three essential steps: A return to the old Truman Point Four doctrine of technical assistance that has been overshadowed by big-money aid in recent years; planning and allocating money on a long-range basis, in keeping with the two-decade size of the problem, instead of hand-to-hand, year-to-year programs; and U. S. leadership in mounting a global effort.

The program would embrace the free world, Communist bloc, United Nations, World Bank and other international organizations, none of which (including any or all of the U. S. aid agencies) can alone even approach the job.

This is a very important report. It is comprehensive. It is realistic. It deserves the careful, serious attention of the whole country.

For this is a problem of historic and global dimensions, and no one less than the President of the U. S. has the authority, prestige and resources behind him to lead the way.

Ami

U.S., India Plan Grain Transfer

[New Delhi Bureau of The Sun]

New Delhi, June 24 — The United States agreed today to sell India on liberal terms another 1,500,000 tons of grain, mostly wheat.

Although the agreement signed here applies the theoretically stiffer terms for American food aid under new legislation, its fresh features ease India's repayment burdens, at least in the short run.

For the first time a significant portion of the \$112,000,000 value of the grain is repayable in Indian currency which is convertible into dollars at Washington's option.

However, this portion, about 20 per cent, will be repaid over a 40 year period at a low interest rate. Heretofore, India has paid for the grain in its own currency, most of which was loaned back for economic development.

The agreement also provides that a small portion of the shipping costs will be covered by dollar loans. India has had to pay hard cash from its stringent foreign exchange reserves for shipping in the past.

This provision takes on greater significance in view of the closure of the Suez Canal. Vessels which previously passed on the shorter Suez route must now sail around Africa, raising freight costs and dipping further into India's hard currency reserves.

This agreement brings to 5,100,000 tons the grain Washington has agreed to ship to drought stricken India this year. President Johnson has promised an additional 1,500,000 tons if other countries match it.

U.S. TO SEND INDIA MORE FOOD RELIEF

Signs 1.5-Million-Ton Pact
Raising Total Aid in '67
to 5.1-Million Tons

By JOSEPH LELYVELD

Special to The New York Times

NEW DELHI, June 24—The United States and India signed here today a long-awaited agreement providing for the shipment of 1.5 million tons of food grains.

The grain, which will raise American food shipments to India this year to 5.1 million tons, is expected to arrive in August and September.

Before then, according to Indian estimates, the country may have to face a hiatus of two to three weeks in deliveries of American grain.

Time Lost in Rerouting

The expected gap will result from Cairo's closing of the Suez Canal rather than from a six-week delay in starting the negotiations that led to the agreement today. The talks were originally expected to have been concluded in late April, but were held up until early this month by President Johnson.

Only 700,000 tons of a planned million tons will arrive here this month because of the time lost in rerouting vessels that were already on their way to India when the canal closed.

The shutdown has also produced a shortage of available shipping, especially of large, fast tankers that are capable of carrying as much as 110,000 tons of grain.

These are now in heavy demand from the oil companies to help overcome the petroleum shortages in Western Europe produced by the canal's closing. As a result, the focus of India's food anxieties is shifting from the grain itself to shipping.

The Government has already started making commercial purchases of wheat in Australia to fill the gap that is expected in the latter part of July. The purchases are expected to amount to 500,000 tons.

U. S. Ceiling on Aid

Presumably the purchases are to be paid for with foreign exchange freed by promises of fertilizer, shipping or debt deferment from member nations of the aid-India Consortium.

In February, President Johnson put a ceiling on American grain shipments to India this year at 6.6 million tons, of which 3 million tons were to be conditional on "matching" assistance by consortium members.

The 1.5 million tons assured today represents the first installment of those 3 million tons, though the "matching" aid that was pledged at a consortium meeting last April has yet to materialize.

Indian officials expect a food deficit of 11 million tons this year. More than 3 million tons has yet to be assured.

The food was valued in the agreement at \$112-million. About \$90-million, or 80 per cent of the total, will be repayable in Indian rupees.

The United States will have an option to demand the rest in hard currency, which would be paid over a period of 40 years.

Last year Congress revised Public Law 480, which authorizes the food sales, to require harder terms. As the law now stands, all food purchases made from the United States a few years from now will have to be made in hard currency.

White House Cuts Wheat Planting While Famine Stalks Foreign Lands

One of the most widely-respected and most conservative of the "news letters" issuing from Washington made this flat statement only a few days ago:

"A famine is in prospect for most of the world's population."

Nevertheless, the White House, on the advice of the Department of Agriculture, late in June reduced this year's wheat acreage by 13%, or 8,700,000 acres. That is not far from half the size of the state of Maine.

And moreover this cut was made in the face of a statement by a presidential advisory committee, to the effect that it was "unthinkable that this country would consider a reduction in our own food production."

The fact that population growth is outrunning food production in many poverty-stricken countries is well known. And while this news-

paper, with many others, has criticized the manner in which we have made enormous supplies of food available to foreign lands, we have not said the aid should not be given. Food is a weapon in the cold war which the Reds play so cleverly, and we have not used it skillfully.

But the White House has not cut wheat acreages out of misjudgment of the threat of famine abroad, or because it is disillusioned with this phase of foreign aid. It has acted to shrink supplies, when millions upon millions of people overseas are hungry, because domestic prices are low, the farmers are complaining, and there is a presidential election coming in a year or so.

This is what everybody knows at Washington, but in the words of a reporter there, no one says it out loud. But it is time someone did.

Agan.

July 10, 1967

Hunger and Politics

We believe the American people in general are less than pleased with the idea of sending food to other peoples who do not even have the civility or common sense to desist from shooting at America, orally or otherwise, during deliveries.

But a recent report of a Presidential task force has stated with clarity and in detail that world food production must be doubled within the next two decades, along with rational family planning, to avert worldwide mass starvation—with resultant dangers to this Nation's security, among other corollary effects.

It was an alarming report, and an accompanying letter from James Perkins, president of Cornell University and chairman of the task force, told the President that it would be "unthinkable that this country would consider a reduction in our own food production."

So "unthinkable" that the very next day Agriculture Secretary Orville Freeman announced a 13 percent decrease in wheat acreage allotments this year, asserting a decreased demand for food aid.

Obviously, it doesn't add up. Nor is this country itself so well fed that it should countenance such a

reduction. An independent study has been launched by the Citizens Crusade Against Poverty of the hunger problem not only in much-publicized Mississippi but also in Appalachia, in the Southwest and on Indian reservations.

Apparently the real reason behind the Agriculture Department's action is that the price of wheat has dropped and it is political suicide to let the Farm States' votes get away. No doubt cutting the acreage will hike the price of wheat again, but there must be other and more humane ways to do the same thing.

Walter Reuther, chairman of the "Crusade," also suspects that more should be said about the problem even in urban areas of the U. S., which would include attention to the way the switch from surplus distribution to the food stamp plan has worked out.

The problem of hunger — and even starvation — is too deadly serious to use it for a counter in political one-upmanship. It is stupid and self-defeating to try it.

More food aid and more technical assistance, at home and abroad, are inevitable, and foot-dragging by the Administration or by Congress can only make matters worse.

Age

U.S. aid to India seen as grist in Red 'mill'

By Reuters

New Delhi

United States officials in India are concerned about what they regard as a big Communist effort to denigrate and disrupt American aid to India.

United States Ambassador Chester Bowles says the campaign is carefully calculated and massively financed.

"By a whole series of devious editorials and concocted 'news' stories," he said "the Communists have sought to transform the shipments of American wheat designed to prevent famine or malnutrition in India to a nefarious plot to undermine Indian self-reliance."

Many Indians are confused about American aid and unaware of its extent. Some district officials in famine-stricken Bihar, for

example, where thousands might have died, but for United States food relief, have been convinced that President Johnson held up food shipments to India earlier this year to bring political pressure on the Indian Government.

American officials strongly reject the suggestion and say that, despite delays in signing food-aid agreements, there was no break in the flow of food to India, which totals more than 50 million tons since 1951.

The gist of most of the allegations made against the United States in Indian legislatures and newspapers is that it seeks to force the government to drop its socialist policies in favor of Indian and foreign "monopolists."

Proceeds from the sale of food grains are said to have been used to finance the campaigns of Indian politicians sympathetic to American interests.

Forward

Wheat and Politics

FARMERS are in a running dispute with the White House over agriculture policy and the Agriculture Department's latest estimate of a record 1967 wheat crop is, ironically, not in the administration's favor. The new high of 1.59 billion bushels set this week is 285 million bushels above last year's crop and 139 million bushels more than the previous 1958 record.

Farmers are not happy about the prospects of a bumper crop because it could mean lower prices. In fact, news of the record crop has caused prices to drop about 15 per cent below those of a year ago.

Growers say they cannot afford to risk increased production without assurance of higher prices. And Agriculture Secretary Freeman evidently is unable to give that guarantee without consumer criticism.

But because of the wealth of wheat to be harvested, Mr. Freeman has risked ordering a 13 per cent reduction in acreage for the 1968 crop. This may be a good talking point when Lyndon Johnson and the secretary hit the prairies in next year's election campaign. But while ordering a cut in wheat production is good politics in the farm belt, the plan is under attack by congressional advocates of increased production in order to feed the world's hungry.

President Johnson's Advisory Committee on Foreign Assistance Programs only last month reported the world faces a food crisis "of staggering proportions" by 1985 unless affluent nations undertake a "massive" relief effort immediately. In the light of this warning, it is incredible that this country, which has the agriculture know-how, would reduce food production.

War on Hunger and Hard-Line Tactics

By BURT SCHORR

WASHINGTON—Pronouncements heard in this city about the state of the world's food supply seem devilishly geared to leaving the ordinary citizen puzzled.

Since India's current famine threat first surfaced in late 1965 following the initial failure of the monsoon rains, a dire litany has been heard: Unless remedial steps begin immediately, the Indian experience only foretells that day around 1985 when population in all the hungry nations gallops past the available food supply, bringing massive starvation and political turmoil.

Even now, six persons in ten in less developed countries like India and Pakistan are believed to suffer serious protein and vitamin deficiencies, while one in five is reckoned to be hungry for any kind of nourishment. The amount of outside aid India has been taking merely to avert internal chaos—close to 20 million tons of grain, mostly from the U.S., in the two years ending this fall—illustrates the immenseness of the potential demand.

Yet now comes Agriculture Secretary Freeman, probably as close to these unpleasant statistics as anyone in Government, decreeing a 13% slash in this country's allotted wheat acreage. Rather than expand its production of life-giving grain to satisfy world needs, Washington is saying, the proper U.S. course is to hold the line on food contributions—even begin trimming them somewhat.

"The easy answer in the War on Hunger has been, and is, 'Grow more and give more away,' Mr. Freeman commented recently. "But this answer flies in the face of logic—and in the long run is self-defeating."

Perhaps this isn't as inconsistent with the cruel facts of global hunger as it sounds.

Dwindling Supplies

For one thing, the argument that food aid saves the Government the cost of storing surplus commodities has lost its validity; almost all but emergency supplies of grain are gone now from Federal holdings. Instead, today's aid recipients generally use loans from Uncle Sam and purchase their needs in the open market. Partly to avoid further stresses on our war-strained budget, therefore, the Johnson Administration is trying to convince other well-off lands to shoulder a bigger share of the food aid burden.

But the chief concern of Mr. Freeman and others here involved in farm policy decisions is that unstinting U.S. largess actually can smother chances for food self-sufficiency in hungry lands. Thus, the optimistic hopes of farmers and farm suppliers notwithstanding, the Johnson Administration simply doesn't believe piling up Uncle Sam's grain stock will solve the long-term world food crisis.

In a recent speech, Mr. Freeman projected the results if U.S. grain production "over-capacity is translated once again into a supply of grain greater than effective world demand." One consequence, he said, would be "depressed world prices, and dumping of grain in the less developed world," which could "seriously impair both agricultural and general economic growth in these nations." Moreover, an international grain price war would also be "disastrous" for U.S. farmers.

Certainly, compassionate arguments continue to be heard from those who back liberal food aid policies. Just prior to the Agriculture Secretary's wheat acreage decision, which had solid White House support, Cornell University president James A. Perkins, chairman of the President's General Advisory Committee on Foreign Assistance, sent a letter to President Johnson calling a reduction in food production "unthinkable." Wrote Mr. Perkins: "We cannot believe that this country should so flatly turn its back on starvation."

The real solutions, unfortunately, promise to be far more complex—and costly—than the relatively simple task of assuring that sufficient tankers laden with wheat and grain sorghums depart for Indian ports each month. Some sources here, in fact, wonder if mankind today possesses sufficient self-discipline and unity of purpose to stave off a hunger debacle in the next two decades.

Soaring population and increasingly skimpy food supplies may be the symptoms in these less developed countries, but the sickness is in their rickety economies. Any cure, the President's Science Advisory Committee recently concluded in a gloomy analysis of the world food problem, must consider that food need, food purchasing power, overall income, food production and gross national product all are inseparably intertwined, even in less sophisticated economies. Hence, "it is meaningless to consider a nation's demand and supply of foodstuff independently from overall economic growth."

Costly Cure

The cure would be costly for the physician, to judge by the committee's estimate of the annual advances required in those intertwined economic elements if the less developed lands are to achieve food self-sufficiency within the next two decades. (Less developed countries can be defined by such criteria as per capita gross national products under \$400 a year and birth rates of 34 per 1,000 or more; basically, they are clustered in Asia, Africa and Latin America.)

The advisory committee says the fertilizers, seeds, pesticides and farm machinery alone would cost \$300 million a year initially, "increasing to almost \$4 billion per year by 1985." To double food production by 1985, the objective deemed necessary, they would gradually have to crank up fertilizer use to an awesome 67 million metric tons annually from last year's 6 million. Similarly, pesticide utilization must rise to 700,000 metric tons yearly from the mere 120,000 tons the "developing world" (excluding Red China) now employs.

And these calculations leave out substantial investments in related areas. Ways must be found to provide farmers in hungry nations credit for much of the \$14 billion a year they would have to lay out for these additional farm "inputs." Development of water resources, roads, railroads and food storage facilities also would soak up enormous expenditures.

Overall, the study concludes, proper expansion of food-buying ability together with food supply would require aid from the wealthier nations on "a scale unparalleled in the peacetime history of man."

For U.S. taxpayers, who shelled out about \$4 billion of the more than \$7 billion in economic and food assistance that wealthier countries funneled into underdeveloped nations last year, this could mean a 75% jump in foreign aid costs, says Ivan L. Bennett Jr., deputy director of the Office of Science and Technology who headed the world food study.

Political realities, of course, rule out any such quantum jump. Congress at this moment appears to be readying some mighty whacks at the \$2.5 billion (excluding military assistance and food shipments) that the Johnson Administration wants to spend on foreign aid in the current fiscal year. The total includes \$146 million for improvement of food production and marketing, compared with \$504 million appropriated in the year that ended June 30.

More critical than the scarcity of outside capital, though, could be the necessity for hungry lands to learn that "increases in food production . . . are not stimulated by physiological and nutritional needs alone," the advisory committee believes. In other words, less developed nations must shape their internal policies to encourage farmers to grow and market more food. (Mexico provides an example of what can be done; development there of higher-yielding, rust-resistant wheat, coupled with strong price supports, has turned a wheat deficit into an exportable surplus.)

The difficulty, according to Government food experts, is that many less developed countries have sought to climb out of their colonial pasts and into the ranks of industrialized nations by economic shortcuts taken at the expense of their agriculture.

India, for example, until prodded to change by the U.S., kept fertilizer production under a highly inefficient state monopoly and set prices low in state-run grain stores in order to keep down food costs for urban residents.

"Former colonies have a picture of private enterprise as colonial enterprise and that is private enterprise in its worst form," comments an official of the Agency for International Development. "As a result, most of their economies have a Socialist flavor and that flavor isn't going to diminish overnight."

As this view suggests, the key move in the hunger battle could well come over U.S. efforts to hammer such ideological cant into more pragmatic policies. Writing in the current issue of Foreign Affairs, Secretary Freeman asserts significantly:

"... We see government serving as guarantor of minimum price, a referee in the marketplace and a catalyst to technological progress. This is not to say that the pattern we have chosen to follow in the U.S. is the precise policy that should be adopted in the developing countries, but it may be a useful guide. Involving government too directly in agriculture—often for political reasons—has resulted in great waste of resources in developing countries."

These principles already have been woven into the agreements with 10 less developed nations signed so far under the Food for Peace (Public Law 480) amendments that Congress voted last year with the aim of fostering "self-sufficiency in food. Consider the terms agreed to by India in February and June for obtaining \$247 million of wheat, sorghums and vegetable oil (payable substantially in Indian rupees, most of them to be reserved for financing development of the subcontinent). New Delhi is committed to increase fertilizer production and imports, plant more improved seed varieties, spray more acreage against insects and expand rural credit.

Dependence and Non-Resistance

These and earlier U.S.-inspired efforts may begin to show results in the current crop year. But Indian need for substantial outside food aid is expected to continue through at least two years on improved crops. While this dependence lasts, Uncle Sam shouldn't encounter much resistance to his agricultural directives.

But in the cauldron of Indian politics, extremists of the right and left periodically boil up in indignation against Mrs. Gandhi's ruling Congress Party for permitting what they term U.S. infringement of Indian sovereignty. This is a continuing concern to some officials here; they worry that too hard a line on improvement policies could produce an unpleasant political fallout in less developed lands, tearing down any agricultural progress made so far.

At the U.S. State Department, where opponents of the Agriculture Department's self-sufficiency tactics abound, one source wonders if Agriculture's hard line on a pending Food for Peace agreement with Algeria contributed to that North African nation's bitter rupture with the U.S. following the Arab-Israeli conflict. Negotiations with Algeria, which normally would have been concluded several months earlier, were still dragging along at the time of the diplomatic break.

"Unrealistic" is how the State Department source describes such Agriculture suggestions as requiring the Algerians to convert vineyards to wheat production and allocating a larger share of the national budget to agricultural projects. "The issue is whether Food for Peace is a lever for self-help—or an instrument of diplomatic policy," this foreign affairs expert declares. "After all, what else do we have to offer the uncommitted nations if not our food?" And in the context of today's conditions, the question is a valid one.

But eventually the answer could be that the U.S. has offered the less developed countries something more important—the ability to survive on their own.

India Says Food Aid Lies On Johnson Desk

Authorization For An Extra 1.5 Million Tons
Of Grain Called Dormant '3 Or 4 Weeks'

By JAMES S. KEAT
[New Delhi Bureau of The Sun]

New Delhi, Aug. 21—India's Food Minister expressed concern today over the delay in signing a new American food aid agreement for the remainder of this year.

"Our information is that the file has been lying on the desk of [President Johnson] for the last three or four weeks," Jagjivan Ram told a press conference.

"Every day's delay makes us nervous," he added.

Washington had conditionally pledged an additional 1,500,000 tons of grain this year to help meet drought-stricken India's food shortage.

Amount Not Matched

This amount, in addition to 1,500,000 tons already committed was to be matched by food or support for agriculture from other countries. At last count only some 900,000 tons or its equivalent had been promised by other countries.

The last shipment under the existing agreement is scheduled to arrive here in the first week of October, Ram said.

Since closure of the Suez Canal, the lag between signing of an agreement and arrival of the grain here is seven to ten weeks. Thus a break in the grain pipeline from the United States, India's last hope for maintaining minimal food sup-

plies until the next harvest starts, appears unavoidable.

Since India has been unable to build up buffer stocks in this second year of serious drought, the Government has no reserves to tide it over. Grain has been going directly to ration shops in what is frankly described as a "ship-to-mouth" operation.

Asked why the agreement had not been signed, Ram replied, "that, only the President can say."

In response to another question, Ram said, "I don't think the Americans would go to the extent of mixing politics with food."

Counters Pressure

Ram's press conference was summoned to defend the central Government against pressure from the leftist government of West Bengal for additional allocation of grain for the next three months.

Six ministers of the state government have threatened to begin a "sit-in" and possibly a hunger strike outside the residence of Prime Minister Indira Gandhi Wednesday unless Bengal receives 10,000 tons of wheat in addition to the 95,000 tons a month already promised.

The Bengal demand is heavily larded with politics, but it illus-

trates the great pressure on New Delhi to increase supplies to the states during the next few months, a lean period for grain even in a good year.

More than half of India's grain crop is now in the ground, but little of it will be ready for harvest before November.

Grain Imports Fall

Compared with some 10,000,000 tons of grain imported last year, principally from the United States, only 7,800,000 tons have arrived so far this year, Ram said.

About 600,000 tons of the grain this year was purchased, the rest donated or shipped under various credit schemes, the Food Minister said.

Government purchases of grain for internal redistribution have fallen 500,000 tons short of the nearly 4,000,000 tons bought in each of the past two years, he added.

Political Complaint

The Bengal government, a coalition dominated by the left Communist party, has complained that it is receiving less food from New Delhi than its Congress party predecessor got last year.

Ram conceded some validity in the complaint but argued that the central Government has less grain to distribute this year and must give priority to the most severely stricken states, especially Bihar.

Mrs. Gandhi has agreed to meet the six Bengal ministers when they arrive here tomorrow. She is scheduled to leave Wednesday morning for a previously scheduled visit to South India.

Johnson Says India Will Get Million More Tons Of Wheat

By MURIEL DOBBIN
[Washington Bureau of the Sun]

Washington, Sept. 1—President Johnson announced today that another 1,000,000 tons of American wheat will be sent to India to alleviate the still "desperate" food situation there.

This will bring United States wheat aid to India up to 2,500,000 of the 3,000,000 tons authorized by Congress last February with the provision that such a shipment must be "appropriately matched" by other countries.

Making the announcement at a news conference in his office, the President made it clear that whether the remaining 500,000 tons are sent is likely to depend on how genuine are pledges of \$122,200,000 in food aid made since May by other nations.

If genuine, they would justify almost 2,000,000 tons in additional American wheat if it could be counted in full.

But he explained that such aid from other donors must be additional to regular contributions to the India aid consortium. ob-

serving, "no one's interests are served by a charade in which real American wheat is 'matched' by meaningless financial transactions or funds which would otherwise be provided through the consortium anyway."

Subsistence Level

Mr. Johnson said he was authorizing the new shipment "on the expectation that at least half the new contributions from others will in fact be proven real and additional."

But he emphasized that the American contribution to the aid to India consortium "can be reconsidered" in the light of any difference between the United States' effort and that of other lands.

The President said the decision to send the additional 1,000,000 tons was a reflection of the still desperate food situation in India, where public stocks are at the lowest point in memory, private stocks are exhausted, and food rations in major cities are at subsistence level.

It is estimated that one person needs 409 pounds of wheat a year to survive in India. At this rate, 1,000,000 tons—or 2,000,000,000 pounds—would be expected to feed about 5,000,000 persons for a year.

"Future Threatened"

"Starvation and threat of political chaos cannot wait," he declared. "The immediate future of the world's largest democracy is greatly threatened. Free and peaceful development of Asia hangs in the balance."

He also noted that current reports on India's monsoon rains indicate that two years of severe drought are over, and that the country may look forward to a record grain crop in the next crop year.

Share Burden

Mr. Johnson emphasized his determination that the United States behave "in strict accordance" with the congressional resolution on the subject of food aid to India being matched by other nations.

When the President sought congressional approval of an American aid to India program last February, he made it clear that he wanted the burden of meeting the Indian food deficit to be shared by the United States and the rest of the world on a 50-50 basis until self-sufficiency was reached—hopefully in 1970—on that continent.

By May, efforts to mobilize other donors of food assistance produced \$96,000,000 in contributions and led to an American shipment of 1,500,000 tons of wheat.

The President noted that for the past few weeks, United States Government officials have been working on a "deep and detailed review" of India's current food needs and the performance of other donors during the past three months, and it was on the basis of this that the present authorization had been made.

Foreign Aid

Breakthrough on Population Control

POLICIES of the U.S. government on assisting with population control in other countries have come a long way since 1959, when President Eisenhower said this was not properly a governmental responsibility. The dangers of uncontrolled growth—outpacing food production, housing, economic capacity and ability to cope with other human problems—have become frighteningly apparent. There is growing recognition of the importance of stemming the tide with birth control programs.

The decision to supply contraceptive materials to India through the Agency for International Development (AID) is a breakthrough for the U.S. role in the worldwide movement. It was reached by logical stages. President Kennedy, in 1961, encouraged scientific studies on biological reproduction, but kept a hands-off policy on the population problems of other nations. In 1962, AID let it be known that it would assist other governments in demographic research and census-taking techniques, if asked. Two years later, this program was stepped up with more

personnel. President Johnson gave strong encouragement to population control efforts, and additional doors were opened by the routes of health and welfare services which might lead to more family planning overseas.

Much has been learned about the need for population planning, about the desire of many nations to move ahead with it, and about new, medically safe techniques of birth control. But worry about the implications of a U.S. policy which might appear to be over-riding free choice of governments or individuals has prevented the practical step of shipping contraceptive materials in any significant quantity.

The caution may have been appropriate, for a time, and the policy of research first probably was wise. But now the urgency is clear, and it no longer is necessary to fret about whose dollars buy which phase of birth control programs in nations which cannot adequately feed all their children. The Indian government wants U.S. help on this problem, and it is right that we should give it.

For aid

100 Nations Get U.S. Food Aid

By MURIEL DOBBIN

[Washington Bureau of The Sun]

Washington, Nov. 6 — President Johnson today reported to Congress that \$1,500,000,000 worth of American food aid went to more than 100 countries in 1966, but stressed his belief that self-help is "still the key to victory" in the war on hunger.

"Our food aid and other forms of assistance must go primarily to those who do the most to help themselves," declared the President in the course of a summary of American food aid programs during last year.

He underlined that the United States is now in a "non-surplus era" as compared with past years when food assistance was based on the existence of food surpluses in this country.

'Surpluses Are Gone'

"These surpluses are gone," said Mr. Johnson. "Until the less developed countries are able to provide for themselves, our domestic farm programs must be geared to insure we produce enough to meet pressing foreign needs as well as the demand here at home."

The President made it clear that he regards the population explosion as one of the "enormous problems" linked to the world food shortage.

Mr. Johnson reiterated his contention that "the food deficit is a world problem" and that "developed nations must join in an international undertaking to combat hunger and modernize agriculture."

"The United States cannot shoulder this responsibility alone," he said. "In meeting the world's food needs, the common interest lies in common effort."

Urges 'New Agreements'

He appealed for "new agreements" with other countries to find a solution to the food shortage.

The White House also announced today that a \$20,000,000 gift has been made to the National Art Gallery by Paul Mellon and Mrs. Mellon Bruce, son and daughter of Andrew Mellon, who originally provided the funds for the gallery in 1937.

The money will be used to construct an addition to the gallery on land reserved for that purpose by Congress 30 years ago. The new building will house a center for advanced study in the visual arts, designed to service as a meeting place for teachers and scholars from around the world.

For aid

U.S. IS EXPANDING FOOD AID ABROAD AS SPUR TO PRICES

Authorizes Negotiations in
Eight Countries for Sale
Under Freedom Program

By FELIX BELAIR Jr.
Special to The New York Times

WASHINGTON, Oct. 24—A rapid expansion of the Food for Freedom program in underdeveloped countries has been authorized by the Administration under pressure of sagging farm prices and sharp cuts in foreign aid funds.

Negotiations are actively under way with eight countries looking to concessional sales of wheat, feed grains and edible oil for local currency, as well as repayable dollar credit. In addition, restrictions on donated food to combat malnutrition, particularly among children, have been quietly removed.

The Agency for International Development has cabled its missions in less developed countries that supplies are now ample for donation programs linked to self-help efforts in agricultural development. Two conditions for eligibility are that the donated food should be used to increase local farm production and should not displace commercial sales.

Notice Revoked

The message on donation food had the effect of revoking a notice to missions in August, 1966, that 25 per cent less wheat and feed grains would be available as food aid—whether on a concessional sales basis or for donations programs—and that their requests should be tailored accordingly.

Food aid shipments dwindled to a trickle in the last half of 1966. Requests for donation food, which many underdeveloped countries use instead of money to pay workers on agricultural projects, all but stopped. To reverse this psychology of scarcity, the agency cable said in part:

"There is ample food available to meet program requirements which were curtailed last fiscal year because of limited supplies of some commodities. Our task now is to utilize more effectively Title II [donation] authority to help developing countries gain ground in the food and population race and speed up social and economic progress.

Nutrition Programs

"Increased availability of Public Law 480 commodities, particularly wheat and wheat products, coarse grains and vegetable oils, offer opportunities to help offset the economic and political effects of reduced levels of other forms of assistance."

As originally enacted in 1959, Public Law 480 authorized concessional sales or donation abroad of surplus agricultural products. The requirement that commodities be in "surplus" was eliminated by Congress last year in extending the law two more years. The extended law also authorized the Secretary of Agriculture to buy in the open market to meet foreign requirements.

The A.I.D. message to missions went on to say:

"The President has a personal interest in seeing that our food resources are used to improve nutrition and child feeding and he has been assured by the Secretary of Agriculture and the A.I.D. administrator that special attention will be given to using our food resources for this purpose.

"We believe there are additional opportunities for imaginative use of donation commodities for the expansion or establishment of meaningful programs to combat malnutrition, particularly in infants and preschool age children, to provide school children with nutritious meals, and to promote community development and other self-activities, with special emphasis on increasing agricultural production."

The message added that all such self-help activities could be carried out under the auspices of voluntary agencies such as CARE, World Church Service and Catholic Relief Service as well as under government-to-government programs.

Although unwilling to identify the countries with which negotiations are under way for concessional food sales, agriculture officials are frankly hopeful that revival of food aid shipments will have a buoyant effect on farm prices.

On the threshold of the Presidential election year there has been widespread discontent among farmers of the corn belt and the plains states over current price levels. Wheat that brought \$1.71 a bushel on the farm a year ago was at \$1.39 last Sept. 15, and corn that brought \$1.35 a bushel a year ago was worth \$1.12 a bushel a month ago.

Blame Administration

Farmers generally are blaming the Administration for the persistent low level of prices beyond the period of surplus supplies of wheat and feed grains.

Secretary of Agriculture Orville L. Freeman had publicly "shared" their frustration, explaining that while there was no wheat surplus in the United States today, bumper crops around the world were "prompting irregular and discouraging short-term market action."

Because all wheat-producing countries have better than average crops in prospect, some grain-trade experts are skeptical about an Agriculture Department forecast of wheat exports of 750 million bushels this year.

A year ago, Mr. Freeman asked wheat farmers to increase their planted acres by 32 per cent. They responded with a 26 per cent increase, and a crop officially estimated at 1.55 billion bushels resulted. Producers are angry because their response has been rewarded with materially lower prices.

To make matters worse, Congress appears in no mood to act on food reserve legislation at this time so that the addition to the wheat carryover from this year's indicated harvest cannot be expected to be lessened by that possibility.

Food Aid to India

Under Secretary of State Eugene Rostow's seven-nation tour to seek international food aid for India is the third urgent mission sent abroad by President Johnson as a preliminary to putting his 1967 Food for Peace program before Congress.

This concerted effort to mobilize Congressional support would be understandable if a daring new program were involved or if Congressional hostility were to be feared. But neither seems in prospect. Congressional coolness toward development assistance has never extended to food aid, which benefits the American farmer. The last Congress authorized twice as much food aid as the Administration plans to ship, and there is little evidence that the new Congress has a different view.

This is only one of several mysteries in White House food policy toward India. When a second year of drought raised India's import needs, the President reacted by suspending American grain allocations for six weeks rather than by expediting or increasing them. Agriculture Department and Congressional teams were dispatched to New Delhi. Yet when they reported that fate and weather, not a lack of self-help measures, were responsible for India's increased requirements, only half the grain they recommended was released by Mr. Johnson. And the grain shipments are on little more than a month-to-month basis.

The stated objective of this squeeze was to force India to seek more aid from other countries and thus to lessen the American burden. The results, apart from aid that probably would have been forthcoming anyway from Canada and Australia, have been meager.

It has now become necessary to send Mr. Rostow to the rescue. But he is not so much seeking grain to feed Indians in the current crisis as he is asking members of the aid-to-India consortium to provide more fertilizer and farm machinery for future crops.

Meanwhile, New Delhi's difficulties in planning food distribution to stave off famine deaths have been seriously aggravated. India's moderate democratic Government—an almost unique example to the whole underdeveloped world and the chief hope, with Japan, for future stability in Asia—has been humiliated on the eve of critical national elections.

The Indians also feel that they are being bludgeoned by Washington into self-help measures which New Delhi considers unduly onerous. These include a further shift from industrial development to agriculture, acceptance of stiff terms from foreign oil companies for construction of fertilizer plants, and decontrol of food prices and distribution.

No one questions the American right to advance such proposals or to try to insert them into India's annual and five-year plans. But Washington's efforts to dictate Indian policy on a month-to-month basis, with food as the pressure instrument, is wholesome for neither country. It could tarnish the reputation of the United States—hitherto one of decency and generosity—not only in India but throughout Asia.

for aid

U.S.-Indian Discord

New Delhi Believes Delay on Food
Has a Concealed Johnson Motive

By J. ANTHONY LUKAS
Special to The New York Times

NEW DELHI, India, Jan. 25.—Last March, when Prime Minister Indira Gandhi returned from a trip to Washington, New Delhi basked in the warm glow of the rapport she was reported to have established with President Johnson.

Today, 10 months later, the glow is gone and Indian-American relations have entered a period of

News Analysis

tension, suspicion and uncertainty. Mr. Johnson is the target of some harsh comment. From the Indian point of view, the recent deterioration in relations is due largely to his long delay on critically needed food aid last fall, his subsequent authorization of less than the Indians thought they had a right to expect and his continuing refusal to give New Delhi any firm idea of the timing and quantities of future supplies.

This has made it virtually impossible for the Government to make plans for feeding the people in the second consecutive year of severe shortages. Moreover, it has accentuated a deep feeling of insecurity here over the entire American program of economic aid, which the Indians had felt they could take for granted in their planning.

Explanation Raises Doubts

Their resentment is all the greater because most of them cannot fully accept the official American explanation of what President Johnson's tactics are all about — his highly publicized effort to "internationalize" aid to meet India's food crisis.

They concede that the United States' grain reserves are low this year and that there is genuine concern in Washington about the accelerating pressure of population growth on the world's food supply. They sympathize with the President's desire to see other countries bear more of the burden.

However, they are skeptical about the benefits of the consortium approach, partly because they know that few countries other than the United States have much grain to contribute and partly because they fear that any other contributions — cash, shipping, fertilizers — would simply be deducted from the aid other countries are already giving.

Most important, though, many officials here believe the internationalization concept to be more a rationalization after the fact than the real motive for the tough United States policy.

With an election campaign in full swing, the left-wing Opposition has naturally seized on the tension to assert that the United States is using food aid to bring all sorts of pressure on Mrs. Gandhi's Government and that she is capitulating.

Major Changes in Policy

This charge is widely believed here because, over the last 18 months, the United States has used its food and economic aid to press the Indian Government for some important policy changes. The leverage played an important role in getting India to grant concessions to foreign investors in the fertilizer industry, to take steps to increase agricultural production, to lift some strangulating controls on the economy, to liberalize imports and to devalue the rupee.

However, highly placed Indian officials interviewed over the last week insist that since the tough policy on food began in November, there has been no direct American pressure on policy-makers in the agricultural and economic fields. On the contrary, the officials say, there has been a lull in the dialogue between Washington and New Delhi during the last few months.

Mrs. Gandhi's Government is so preoccupied with the campaign for the national election next month that no decisions of importance are being taken. A new government will be formed in April.

This suggests that one of the chief reasons for the President's current tactics is a desire to

keep all possible cards in his hand until after the election. A long-term food agreement is one of the best he holds.

Moreover, since the right wing appears to be gaining strength within the governing Congress party, the President may be hoping that the new government will be easier to deal with.

Since the palmy days of the spring, Mr. Johnson seems to have become increasingly disillusioned with Mrs. Gandhi, chiefly because of her stand on Vietnam. The White House is known to have been greatly annoyed by calls for an end to the bombing, in communiqués Mrs. Gandhi signed with Soviet leaders last summer and with President Tito of Yugoslavia and President Gamal Abdel Nasser of the United Arab Republic last October just as the President was meeting with Asian leaders in Manila.

Many Indian officials believe that Mr. Johnson's pique over Mrs. Gandhi's statements on Vietnam is one reason for his present toughness.

The bitterness aroused by the President's tactics has been directed almost exclusively at him and not at the American people.

There are those here who feel that he is simply a capricious tyrant who is prepared to let Indians starve because he wants to make the Government's other matters. Those who feel knuckle under on Vietnam or this way are probably in a minority. Rather than bitterness, most Indians interviewed this week showed a sober awareness of the dangers of continued reliance on United States food or economic assistance.

All this has led to a new spate of talk about the need for self-reliance that would make India independent of foreign aid and foreign pressures. There has been talk like this before—notably after the suspension of American aid in the fall of 1965—but this time it appears to be even more intense.

Mr. aid

New Delhi Uneasy On U.S. Food Limit

By JOSEPH LELYVELD

Special to The New York Times

NEW DELHI, Feb. 3—Public expressions of gratification over President Johnson's decision to send two million more tons of food grains to India were tempered today with private expressions of alarm. The latter resulted from Mr. Johnson's apparent determination to place a ceiling on further shipments this year.

As Indians read the special message on food aid the President sent to Congress yesterday, he seemed to be saying that the United States would send India no more than 6.6 million tons this year. That would mean, they pointed out, that the United States would be giving at least 1.7 million tons less than it gave last year, when shipments totaled 8.3 million tons.

Indians, who are having to cope with the effects of a second consecutive year of drought, had hoped that American food assistance this year would equal that of last year.

"The President made his plans clear, but not in the way we had hoped," one disappointed official remarked. "Now we can only hope that he didn't really mean what he said."

Door Was Left Open

Mr. Johnson left a door open for shipments beyond the 3.6 million tons now authorized, but he said the further United States shipments would have to be "matched" by other countries. Even if this condition is met, he said, additional United States shipments are "not to exceed three million tons."

That phrase was what alarmed Indians and led to their calculation that a firm ceiling of 6.6 million tons had been set on American shipments.

Gloomy officials said they saw little chance that other nations would fully match United States shipments above 3.6 million tons. In that case American assistance would also be reduced, leaving India with a food deficit of three million to four million tons. That would mean certain famine, officials said.

"I think he [the President] is doing everything he can to goad the other countries into helping," an official said. "I still can't believe that he would stand by and watch a famine if they don't come through."

Other Grain Sources

Officials said they were certain now of 1,150,000 tons of food grains from sources other than the United States. Of this, 800,000 is to come from Canada, 200,000 from the Soviet Union and 150,000 from Australia.

Thus, they calculated, they would need to find 1,850,000 tons, worth about \$125-million, to match the full three million tons offered by Mr. Johnson.

Even then, they said, they would be left with a deficit of at least a million tons. The Food and Agriculture ministry is working on the assumption that the food deficit will total more than 11 million tons. Mr. Johnson said it would be "perhaps 10 million."

Some Indians allowed themselves to hope that he was deliberately leaving himself room to return to Congress later in the year and ask for further help on the ground that Indian needs had proven greater than expected.

If Japan and the countries of Western Europe find a way of extending emergency food assistance, Indians fear that the regular aid contributions of these countries would be sharply reduced.

Economic Aid a Factor

India received about \$330-million last year in economic aid from those nations and seems certain to ask for more than \$400-million this year.

Food assistance worth \$125-million would almost certainly doom requests for such an increase.

American officials have indicated that "matching" could be made with chemical fertilizers as well as food, on the theory that such help would free Indian foreign exchange for food purchases.

But difficulties were found with this theory. It was pointed out that most fertilizer purchases are made with money lent by the United States specifically for that purpose.

This money would not be available for purchases of food, even if India suddenly started receiving large gifts of fertilizer from other countries.

DELAY ON FOOD AID FOR INDIA DECRIED

Congressmen Say Johnson
Risks Charge of Politics

By FELIX BELAIR Jr.

Special to The New York Times

WASHINGTON, Feb. 20—A group of Congressional liberals started a drive today for immediate White House approval of a \$25-million allocation for emergency food aid to the Indian states of Bihar and Uttar Pradesh through CARE and other American voluntary agencies.

In a memorandum sent to the White House, the Congressmen said President Johnson's inclusion of \$25-million for emergency food distribution in a pending joint resolution on food aid for India "could be unfortunately interpreted as playing politics with the lives of millions of Indian children who are living on an average of 700 calories a day."

The drafters of the memorandum included Representative Richard L. Ottinger, Democrat of New York; Senator George McGovern, Democrat of South Dakota, and Senator Charles H. Percy, Republican of Illinois. The memorandum has been discussed with many other members of both legislative branches.

The strategy in sending the memorandum to the White House was to give the President an opportunity to make the allocation under his executive authority and thus avoid further delay through hearings and floor discussion of the joint resolution later this month.

Group 'Sorely Disappointed'

The memorandum said the \$25-million for emergency food relief distribution through CARE and other voluntary agencies had been cleared by all Federal agencies concerned with the war on hunger in December. It said many in Congress had been led to expect announcement of the allocation at the time the President forwarded his message on the India-food package.

"We were sorely disappointed when no such announcement was made," the memorandum said. "During hearings on the Food for Freedom legislation it was made abundantly clear that emergency assistance such as the CARE allocation was to be treated in an entirely different manner from the main commodity program."

"In our view the vague political considerations involved in including the CARE funds in the food for India resolution are greatly outweighed by the urgent need for these funds."

The memorandum concluded: "We urge the Administration to immediately exercise its authority to approve the \$25-million CARE allocation and to make clear to the Congress, the nation and the world that the United States can be humanitarian as well as 'politics.'"

Matched Aid Pending

The President's resolution included, in addition to the \$25-million for distribution through voluntary agencies, an immediate allocation of 2 million tons of food grains and an additional 3 million tons to be "appropriately matched" by other countries.

An agreement covering the 2 million tons was signed by India and the United States in New Delhi today. The allocation valued at \$135-million includes 1.2 million tons of wheat, 800,000 tons of grain sorghum and 30,000 tons each of soybean oil and tallow.

India will pay for the supplies in rupees, with 22 per cent of the domestic currency from sale of the commodities reverting to the Indian Government to finance such self-help programs as economic development, maternal welfare, child health and nutrition and family planning.