CHAPTER I

US ASSISTANCE DURING THE FOOD CRISIS OF 1951

The first significant United States assistance to India was provided in 1951, to help tide over the food crisis caused by widespread failure of crops in 1950-51. This assistance was in the shape of a loan of $190 million, on concessional terms to purchase 2 million tons of foodgrains in the United States of America. Since legislative action was required before assistance could be given, an opportunity was provided for public opinion to assert itself through hearings before Congressional Committees, debate in Congress and discussion in the media and among interest groups. The Indo-US differences on recognition of Communist China and its role in the Korean War were openly discussed. Whether any help should be given to a country which was following a foreign policy different from that of the United States also became a controversial issue. The open debate in the United States had its repercussion in India. A study of the controversial opinions expressed on the subject provides useful clues to identify American objectives in providing economic aid as well as enunciation of the terms on which such aid was acceptable to India.

Even though India's first five year plan had formally commenced in April 1951, development planning was at a formative stage. The major economic problems during 1947-51
were to contain inflationary pressures and to increase the availability of food supplies to meet shortages. The two are closely interlinked as food prices play a pivotal role in the Indian price structure. Inadequacy of food supplies, relative to demand exerts an upward pressure on food prices which in turn affects the general price level.¹ To contain inflationary pressures, steps have to be taken to augment food supplies by raising domestic production or by imports.

Food shortages had become almost chronic. During the forty years before the inception of the first five year plan, the production of foodgrains in the country had not kept pace with the increasing population. Until the separation of Burma in 1936, supplies from Burma exceeded the foodgrains exported. The separation of Burma in 1936 reduced the internal supplies by about 1.3 million tons. The internal supplies were further reduced by 0.77 million tons as a result of Partition in 1947. Consequently 2 to 3 million tons of foodgrains were being annually imported since 1946.² Foodgrain imports of this magnitude imposed a constant burden on limited foreign exchange resources.³

¹ India, Govt. of, Planning Commission, Progress of the Plan (New Delhi 1954) p.2 and First Five Year Plan (New Delhi 1952) p.173.

² India, Govt. of, Planning Commission, First Five Year Plan (New Delhi 1952) pp. 157, 175.

³ ibid, p.117.
In order to reduce external dependence for an item of vital necessity like food, as also to give impetus to internal food production, the Government of India decided in March 1949 to draw up a programme of self-sufficiency in foodgrains by the end of 1951. Since the current deficit was only about 6-7 per cent of the total production, Jawahar Lal Nehru, the then Prime Minister of India, felt that this narrow deficit could be made up by measures to intensify food production (Grow More Food Campaign) by bringing more areas into production (land reclamation through Central Tractor Organisation) and by adjustments in food habits. The long term imbalance on account of growth of population could also be set right eventually when major irrigation works bore fruit.

During the initial phase no external assistance was used either for increasing production or for current import of foodgrains. The question of American assistance was first raised during Nehru's visit to the United States in 1949. American assistance was welcome both for importing wheat to meet current deficits as well as to increase food production. The American assistance sought was not designed to supplant


but to help in achieving the self-sufficiency objective. The US administration studied the possibility of supplying 1 million tons of grains on concessional terms following the informal Indian request in the latter part of 1949. This was followed up by informal negotiations between Indian and US officials. The negotiations failed to work out a satisfactory arrangement. It was only when the food situation in India started deteriorating on account of monsoon failures in 1950 that the US Government agreed to provide about 600,000 tons of grain sorghums at concessional price through the Commodity Credit Corporation.

The failure of the summer crop was followed by failure of the south-west monsoon in several States. Regions untouched by drought were affected by other natural calamities.


such as floods and earthquakes. The series of natural calamities resulted in shortfall of about 5/2 million tons of foodgrains in 1950-51.\textsuperscript{9} The delicate balance between demand and supply of foodgrains maintained on the basis of annual imports of about 3 million tons was upset. The stocks of foodgrains declined by more than half from 1.581 million tons on 1 January 1950 to 729,000 tons at the close of the year.\textsuperscript{10} With the progressive depletion of stocks, the rationing and distribution system depended more heavily on arrivals of foodgrains from abroad. Since there was acute shortage of shipping space in view of the world wide demands placed on shipping following the outbreak of the Korean War, the arrivals from abroad became uncertain. There were frequent breakdowns in the rationing system. To conserve stocks till imports could be arranged a 25 per cent cut in rations was imposed throughout the country on 19 January 1951. This reduced the daily rations from 12 oz to 9 oz except for manual workers.\textsuperscript{11}

Faced with the deteriorating food situation the Central Government, with the consent of State Governments, intensified measures to improve domestic production. The measures included

\textsuperscript{9} India, \textit{Parliamentary Debates}, vol. 10, part II, pp.6302-31. Reply to food debate by Shri K.N. Munshi, Minister for Food and Agriculture. Also see Keaslings Archives n.4, p.11536A.

\textsuperscript{10} India, Govt. of, \textit{Report of the Foodgrains Enquiry Committee}, n.7, Appendix VI Table 4, p.184.

\textsuperscript{11} India, Govt. of, Ministry of Food & Agriculture, \textit{Annual Administration Report, 1951-52}, p.9.
concentration of "grow more food" activities in areas with assured water supply, improved distribution of fertilizers as also acceleration of long term irrigation and land development schemes.\textsuperscript{12} These steps, however, could not solve the immediate problem of increasing food supplies to save people from starvation especially in the worst affected States like Bihar and Madras. The immediate needs could only be met by increased imports.

Commercial imports of about 6 million tons, double the volume of average annual imports, would have imposed a heavy burden on foreign exchange resources. This would have adversely affected the development plans initiated under the six year Colombo Plan as well as jeopardised the delicate balance of payments situation.\textsuperscript{13} The Government of India, therefore, decided to restrict commercial imports to 4 million tons. The balance of 2 million tons was sought to be met by ad hoc assistance from the United States. The United States Government was requested to give this ad hoc assistance during 1951 "on special and easy terms."\textsuperscript{14}

Apart from the question of finding resources to pay for the additional imports, it was not possible to obtain grain in such large quantities except from the United States, as surpluses in other countries were limited. Considerable effort was involved even in arranging for supplies of 4

\textsuperscript{12} India, Parliamentary Debates, vol.6 part I, pp.1247-48.
\textsuperscript{13} India, Parliamentary Debates, vol.8, part II, pp.3732-46.
\textsuperscript{14} Indian Emergency Aid Program, n.7, pp.11-12. Also see India, Parliamentary Debates, vol.6-8, part I, p.3576.
million tons of commercial imports. Grain had to be purchased from several countries, including the United States, under the International Wheat Agreement. Trade agreements were also negotiated with Pakistan, China, USSR and Burma. Moreover, assistance from the United States was also needed in solving the shipping difficulty. Whereas the United States could release its reserve fleet, such space was not physically available elsewhere.\textsuperscript{15}

Even without the natural calamities of 1950-51, it was found difficult to attain the objective of self-sufficiency without external help. The available foreign exchange was required both for meeting current deficits, as well as for imports of machinery and equipment to improve the productive capacity. The food crisis accentuated the problem suddenly. Foodgrains could be imported commercially, only at the expense of curtailing the development programmes. Moreover, world supplies of foodgrains being limited, the grain had to be obtained from the United States which alone had the capacity to supply the same as also arrange for ocean transport. Under the circumstances, US assistance was sought even though a similar request in 1949 had resulted in fruitless negotiations.\textsuperscript{16}

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\textsuperscript{15} India, \textit{Parliamentary Debates}, vol.10, part II, pp.6329-31. Also see \textit{Annual Administration Report}, n.4, pp.12,15.

\textsuperscript{16} \textit{Indian Emergency Food Aid Program}, n.7, pp.7-8.
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Sequence of Events Leading to Passage of Aid India Bill by the United States Congress

The US Administration considered the Indian request sympathetically. India's requirements, US capacity and the form and terms of assistance were carefully considered by the State Department. The Administration accepted that a grave emergency caused by natural disasters existed in India and unless quick relief was provided famine would take a huge death toll. It was also felt that the United States had the grain as also the shipping facilities to provide the relief. Yet two months (16 December 1950 to 12 February 1951) elapsed since the request was received and the President moved the Congress for providing assistance to India. The delay occurred as the Administration feared a cool reaction from the Congress, on account of political differences between India and the US over recognition of Communist China and its role in the Korean War. In fact, as early as 8 January 1951, some Congressmen had sponsored a concurrent resolution expressing Congressional support to aid India. This resolution was referred to the Senate Foreign Relations Committee which in turn passed it to its sub-committee on Near Eastern Affairs on 25 January. The Congressional support to assist India gathered momentum after a bipartisan group of Congressmen

17 Indian Emergency Food Aid Program, n.7, pp.1-11.

18 Interview with Williard L. Thorp, Asstt. Secretary of State (Economic Affairs) at Amherst, Mass., USA on 12 October 1974. See also The Times (London), 26 January 1951.

wrote to the President on 30 January 1951 to find a way out to help India. Subsequently, meetings and discussions took place at the White House among the Administration officials and Congressmen from both Houses and both parties. A major break-through at these discussions was achieved when ex-President Hoover lent his support to the move on 8 February 1951. He announced his support publicly which helped in silencing the critics who were resisting help to India on the ground that India was anti-US and was helping the communists.

Assured of adequate congressional support, the President sent messages to both Houses of Congress recommending urgent legislative action, to enable the administration to send the required grain to India. While India had requested ad hoc assistance on "special and easy" terms, the President recommended an outright gift of $190 million to enable India to purchase 2 million tons of foodgrains. The authorisation of the gift was sought in two parts. The first part consisted of $95 million for purchase of 1 million tons of grain to be shipped immediately. The shipments were scheduled to commence latest by 1 April 1951. The second

20 US Congressional Record, 82nd Congress, 1st Session, vol.97, pp.1235-6. See also Senator Smith's statement p.1235. Also see (i) The Times (London) 3 February 1951, (ii) Report of the Committee on Foreign Affairs on H.R. 3791 (a bill for emergency food aid to India), (iii) Notes on the meeting of the President with a number of Senators & Representatives of sending wheat to India, 6 February 1951, Papers of Harry S. Truman, Files of Charles S. Murphy, Harry S. Truman Library.

consignment was to be considered later after the situation had been reviewed. It was also proposed to provide ocean transport by releasing ships from the reserve fleet. Sale proceeds were to be deposited in counterpart funds. The counterpart funds were proposed to be utilised to help India increase its future agricultural production. The specific projects were to be selected by mutual consent of the two Governments. Identical bills were introduced in the Senate and the House of Representatives on 15 February 1951. 22

The bills sought to provide relief assistance to India on a grant basis as recommended by the President. The House bills were referred to the House Committee on Foreign Affairs and the Senate bill to the Senate Committee on Foreign Relations. The House Committee on Foreign Affairs supported the bill authorising outright grant of $190 million to India on 1 March 1951. However, it was accompanied by a minority report by four members, who had objected to making an outright gift when India had not asked for it. They recommended instead a loan to India to be repaid in the form of strategic materials needed by the United States. 23


The bill was consequently referred to the House Rule Committee for a rule.\textsuperscript{24} Thereafter, it was not possible to bring the bill to the floor. In the meantime, a controversy developed as to whether assistance should be in the form of a loan or a grant. The sponsors were unwilling to pursue their original stand as this controversy would further delay shipments to India. The matter was subsequently reviewed by the Committee on Foreign Affairs and reported on 24 April 1951 on a new bill introduced on 23 April.\textsuperscript{25} The Senate Committee on Foreign Relations considered the Aid India Bill only on 17 April as soon as action on the issue of sending troops to Europe was completed and reported on the bill on 20 April 1951.\textsuperscript{26}

Both the House and the Senate bills as approved by the respective committees were different from the original bills. The House Committee had rejected the original gift basis and had provided for a loan of $190 million. The credit was to be provided in accordance with the provisions of the Economic Cooperation Act, 1948. The terms of the loan were subject to negotiations. However, loans under this Act were usually being given for a period of thirty-three to thirty-five years, with 2.5 per cent interest on unpaid principal. The interest payments were to commence on 30 June 1952 and the repayment of principal after five to eight years. The

\textsuperscript{24} US Congressional Record, n.20, p.5682.


\textsuperscript{26} Senate Report, n.23, pp.1-2.
Administrator of the Economic Cooperation Administration, while conducting negotiations for finalising terms of agreement, was further instructed to secure such quantities of strategic materials as were needed by the United States as part of payment of loan. The Senate bill made provision for giving half the authorised amount of $190 million as loan with conditions similar to those of the House bill and the other half in the form of outright gift. It was also provided that the gift agreement should ensure that adequate publicity in India is given regarding the source of the gift, the Government of India should agree to distribute the grain without discrimination and the representatives of the US Government be permitted to observe distribution of grain in India.27

The Senate bill was considered in the Senate on 14 - 16 May 1951. The final version approved on 16 May 1951 dispensed with the half-grant, half-loan basis and provided for the loan of $190 million in accordance with terms to be negotiated under the provisions of Economic Cooperation Act, 1948. It provided not merely for repayment to be made in terms of strategic materials but specifically mentioned monazite and manganese. The House bill was debated in the House of Representatives on 22-24 May 1951. The House bill approved on 24 May 1951 also provided for a loan. However, the bill as approved was different from the bill passed by the Senate. Apart from difference in language and financial procedure, the House bill omitted specific reference to

monazite and manganese. To resolve the conflict the two bills were referred to a House-Senate Conference. The Conference report on the deadlock was presented to the House on 5 June and Senate on 11 June. The House after discussion approved the bill finalised by the Conference on 6 June and the Senate on 11 June.28

The bill received the assent of the President on 15 June. The final version entitled "India Emergency Food Assistance Act of 1951" (Public Law 48) provided for a loan of $190 million to enable India to purchase 2 million tons of foodgrains in the United States. The terms of credit were to be governed by the provisions of the Economic Cooperation Act of 1948. "The Administrator was further directed and instructed that in his negotiations with the Government of India he shall as far as possible and practicable, obtain for the United States the immediate and continuing transfer of substantial quantities of such material particularly those found to be strategic and critical". The Act also provided for release of ships from the reserve fleet to take care of shipping difficulties. Provision was also made for free ocean transport of relief packages sent by individual and voluntary organisations. A special feature of the Act was the creation of a special deposit account from the interest payments upto $5 million due on or before 1 January

1957 to initiate an exchange programme between Indian and US students, professors and technicians.  

The legislative process was completed four months after the President sent a message to the Congress requesting immediate Congressional action to relieve distress in India caused by an impending famine. While Congressmen debated whether India deserved US assistance and if so whether a gift should be given or loan and at what price, the food situation in India, especially in Bihar, continued to deteriorate. The US Administration, therefore, took prompt action to arrange for shipments. The bilateral agreements were formalised on the day the Act received the President's assent, i.e. 15 June 1951 and the first ship was loaded at Philadelphia on 19 June 1951. In India, the affect was spontaneous. The six month old 25 per cent cut in rations was restored and the Government was able to tackle the food situation with renewed confidence.

In view of the delay in US shipments under the food loan, the Government of India had to move fast in arranging for all otherwise available supplies under the International Wheat Agreement and special agreements with other countries including Pakistan, China, USSR and Burma. Most of the


supplies under commercial imports had been contracted before the US Food Loan was finally authorised. The food situation had improved. The stocks with the Government had also increased from the dangerously low level of 0.75 million tons (on 1 January 1951) to 1.4 million tons (on 5 May 1951) due to the cut in rations and improvement in procurement from internal sources and shipments from abroad. Even so, the rations could not be restored until the news of authorisation of US loan was received. The total supplies under this loan during the remaining period of 1951 were 1.05 million tons, constituting twenty-two per cent of the total imports of 4.725 million tons during the year. The balance of the loan supplies were received in 1952. These supplies constituted about thirty per cent of the total imports of 3.86 million tons in 1952. The total food stocks at the end of 1951 were 1.3 million tons and 1.9 million tons at the end of 1952. The total closing stocks for 1952 were the highest on record till then. In addition to the loan supplies in 1951, approximately 1.5 million tons of grains were commercially imported from the United States. The total US grain supplies were thus a little over fifty per cent of the imports during 1951. The shipping situation was also relieved after the US Government had released ships from the reserve fleet, in terms of Section 5 of the Indian Emergency Food Assistance Act of
US Objectives – Viewpoint of the Administration

The US Administration was apparently inclined to assist India almost immediately after the request was made. In a press conference in London, three weeks after she had transmitted the Indian request, Mrs. Vijayalakshmi Pandit, Indian Ambassador to USA, stated that the "Indian request had been very sympathetically received and public opinion appeared very favourable". The Administration played an active role in securing Congressional approval and mobilizing public opinion. It would be interesting to analyse the reasons that made the US Administration so sympathetic to the Indian request in the teeth of Congressional opposition and at a time when there was no problem of disposal of agricultural surpluses.32

Indo-US relations during the period were at a formative stage. Nehru had visited the United States in 1951.31

31 The Statesman (New Delhi), 5 June 1951; Annual Administration Report, n.11, p.9; The Hindu (Madras), 5 May 1951, Statement of Mr. K.N. Munshi, Food Minister, at the Food Committee of the Congress Party; Annual Administration Report, n.11, p.12; India, Govt. of, Ministry of Food & Agriculture, Annual Administration Report, 1952-53, pp.11,15,17; Keasling Archives, n.4, p.11978; Annual Administration Report, n.11, p.15.

32 The Hindu, 10 January 1951. Also see The Statesman (New Delhi), 10 January 1951 for Mrs. V.I. Pandit's statement to the press in London on 10 January 1951; Interview with Williard L. Thorp, n.18; Hearings, n.8, pp.51-52, 85,94-95; House Report, n.23,p.16.
1949. Indian "neutrality" was being closely watched. India's recognition of the People's Republic of China and its subsequent support to Peking for a seat in the United Nations were widely resented. While India had supported UN action sponsored by the United States in June 1950 when war broke out in Korea, differences arose between the US and India when India opposed the crossing of the 38th parallel by the UN Forces, largely composed of Americans in October 1950. In November 1950 the Chinese "volunteers" entered the war. Thereafter sharp cleavage developed between the Indian and the US views on the Korean War. The United States sponsored a resolution in the UN to name China as an aggressor. India, interested in an immediate negotiated cease fire, was opposed to the move on the ground that it would close the door to negotiations. Thereafter India continued a different course until 1953 and Indo-US relations remained somewhat estranged.33 According to a memorandum submitted to the President, it would appear that the Administration did not attach any significance to the current political differences as they saw long term benefits emanating from aiding India at this juncture.34


34 Memorandum to the President, papers of Harry S. Truman, files of David D. Lloyd, Harry S. Truman Library, Independence, Missouri.
Since the fall of Chiang Kai Shek's Government in China they were very much concerned about the increasing power of the communist bloc. The invasion of South Korea first by North Korea and then by China, and the use of force in Tibet by China was interpreted as evidence of communist expansionism. India, though asserting its independent foreign policy, was still a neutral country. It was establishing democratic institutions and had voluntarily joined the Commonwealth of Nations. It was vulnerable to communism both externally and internally. The Chinese invasion of Tibet to subdue the Dalai Lama was an indication of the external dangers. The Communist Party was active internally in acts of terrorism in Assam, Telengana and Madras. It was, therefore, important from the United States' point of view to check Communist advance in India. A widespread famine in India would have been exploited by the Communists. Helping India fight famine, under the circumstances, was in United States's national interest.

Testifying before the House Committee on Foreign Affairs, Secretary of State Dean Acheson stated that "an acute famine situation undermines the stability of any country and this is a new one that has been created out of great difficulties and this would have an unstabilising effect". And further "that it is of the greatest possible importance in the world that this great nation in Asia should remain stable and strong and not subject to the instability which comes from starvation on a great scale in a country just newly established". He added that he
was convinced that this gift, apart from being a humanitarian
gesture, "will bring tangible results to this country in our
US foreign policy program".35

The US Administration also saw in the situation
possibilities of extending influence in India, even though
it was clearly pointed out by Loy Henderson, the then US
Ambassador to India, that no effort to dominate India or to
coerce it to US policies would succeed.36 While no concrete
result was visualised, a beginning could be made by extending

35 Indian Emergency Food Aid Program, n.7, p.4; The Times
(London), 29 January 1951; The Statesman (New Delhi),
11 March 1951 for Home Minister Rajagopalachari's
statement in Parliament on 10 March 1951; Indian
Emergency Food Aid Program, n.7, p.2 (President's
message to the Congress) and also p.11; Indian Emergency
Food Aid Program, n.7, p.11. Also see Mutual Security
Program for the fiscal year 1952 (basic data supplied)
by the Executive Branch for the Congress (Washington,
1951), p.27; Hearings, n.8, pp.13,15.

36 US Department of State, Bulletin, vol.XXIV, no.610
(12 March 1951). Loy Henderson, US Ambassador to India,
stated before the House Committee on Foreign Affairs on
21 February 1951, "It was not easy for India to decide to
make its appeal to the United States for assistance. The
Indian people cherish their new freedom. They wish to
exercise it to the full. They do not wish to feel that
their right to formulate and carry out internal and
foreign policies of their own choosing is in any way
curtailed because of sense of obligation toward any foreign
country, friendly though that country may be. The Indian
people would probably prefer to starve rather than to
sacrifice any of their political and economic independence.
India, feeling as it does about these matters, has display-
ed great confidence in the disinterested friendship of
the United States by appealing to it for and in this time
of need. I hope that the United States will show by the
manner in which it treats this appeal that the confidence
of India was not misplaced."
friendship through crucial help at a critical time. It was anticipated that if help is given without obvious political conditions it should be possible to win Indian friendship and thereby extend American influence. Aware of Indian susceptibilities, the US Administration made no attempt to attach apparently unacceptable conditions. In fact, it went beyond the Indian request in proposing an outright gift.

The reason given officially for proposing a gift was that India did not have adequate capacity for repaying a loan. The lending activities of Export-Import Bank and the World Bank are limited to self-liquidating projects. Loans for procurement of consumer goods would be bad business. Moreover, repayment would pose a heavy burden and affect the development plans in India. This concern of the State Department about the economic solvency of India was more on account of its wider political implications. The US officials believed that a loan would mortgage the future of India and accentuate otherwise deteriorating economic situation. Such a situation would be susceptible to revolutionary activity. Under the circumstances it was felt that stability of India could be preserved by ensuring that nothing is done to allow deterioration in the economic situation of the country. Moreover, a generous gesture of a gift would have a greater impact on the Indian people. In return better relations might follow.37

37 US Deptt. of State, Bulletin, Vol. XXIV, No. 610 (12 March 1951), pp. 424-5. Statement by Secretary of State, Dean Acheson, on 20 February 1951 before the House Committee on Foreign Affairs. Also see Indian Emergency Food Aid Program, n. 7, pp. 9-10; Hearings, n. 8, Evidence of William L. Thorp, Asstt. Secy. of State (Economic Affairs), pp. 60-64; Hearings, n. 8, pp. 66, Testimony of Mr. Thorp. This was also stated in a document prepared soliciting Congressional support made public by the US Deptt. of State on 3 April 1951, p. 4.
Apart from the announcement affect of a generous nature, making an outright gift had an advantage in further extending influence in so far as it would provide opportunity to the Economic Cooperation Administration to "observe the distribution of the grain and to assist in carrying out the program". The US representatives could ensure that "grain is distributed fairly" and that "the Indian people are kept informed through full and continuous publicity as to the source of the grain". Had the gift materialised, these conditions would have to be met in India as in other countries where such aid was being given by the United States. These conditions would certainly have established American physical presence throughout the country as also given them leverage. This is apparent from the fact that it was recognised that "India has been operating almost continually since World War II one of the largest and most effective rationing system in the world." Such, broadly, were the arguments put forth by Secretary Acheson; Ambassador to India, Loy W. Henderson; Assistant Secretary of State for Economic Affairs, Willard Thorp; and Deputy Administrator of the Economic Cooperation Administration, Richard Bissell.

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38 Indian Emergency Food Aid Program, n.7, p.3, President's message to the Congress on 12 February 1951; Hearings, n.8, p.60, Mr. Richard Bissell, Deputy Administrator, Economic Cooperation Administration, while testifying before the House Committee on Foreign Affairs, stated that ECA will set up a mission in India "to supervise the distribution and sale of this grain by the Indian Government"; Indian Emergency Food Aid Program, n.7, p.5. This was also stated in the State Department document released on 3 April 1951, n.37.
In sum, the US Administration found in the Indian food crisis the "opportunity to combat Communist Imperialism" and extend its influence in a region then perceived to be important from the security point of view. The Truman Administration believed that the proposed gift to India, demonstrating American humanitarianism and magnanimity, could have provided an immense publicity value in the East-West Cold War. But several members of the Congress could not quite comprehend the nature of long-term US interests. Consequently, it took some time before the measure could go through and in the interregnum the Russians and the Chinese could get a diplomatic edge in demonstrating their friendliness through offers of foodgrains, despite the fact that their capacity to help India was extremely limited. The need to counter this propaganda was emphasised by the supporters of the measure. For instance, Senator Hubert Humphrey (Democrat, Minnesota) felt that "We have given to the Communists an opportunity to organise and to hurt us, and they have used it rather cleverly". What could have provided the United States a diplomatic offensive became a defensive measure. It became all the more important to go through with the proposed measure to preserve American credibility. The President issued a renewed appeal to the Congress for prompt action towards the end of March. The Congressional Committees reactivated consideration of the Aid India bill in the
following month. 39

The Congressional Opinion

The prolonged controversy in the US Congress on this issue and its impact on Indo-US relations has been the subject of comment in several studies of Indo-US relations during the period. Poplail and Talbott's view that "the duration of the debate and criticism and invective expressed in it scarred Indian susceptibilities and to that extent were a setback to good Indian-American relations" is widely shared. 40 While admonishing the role of the Congress, Kundra recognised the positive role of the Administration in keeping political differences out and considering the issue on humanitarian grounds. 41 However, inadequate mention has been made of the wide support given to the Aid India Bill by Congressmen


belonging to both Houses and parties, the press and host of individuals and voluntary organisations.

Even while the Administration was processing the Indian request (weeks before the President's message to the Congress on 12 February 1951) a bipartisan group had introduced the bill to aid India in the Senate. A bipartisan group belonging to both Houses took the initiative to address the President as early as 30 January 1951 to take urgent action to meet the Indian requirements. They subsequently held discussions with the President, before he delivered the message to the Congress. Even the President in his message to the Congress acknowledged the "numerous voices" from all over the country which had urged the Government to send food, as also the strong bipartisan support given by the Congressmen. Almost instantaneously thereafter bipartisan groups introduced several identical bills in both Houses. During the next four months also the supporters of the measure steadfastly adhered to their views and eventually succeeded in bringing about a generally acceptable compromise.42

These elements in the Congress shared the view of the Administration that aiding India would serve long US interest in Asia. The House Committee on Foreign Affairs reporting on the initial bill on 1 March 1951 had clearly stated that "while the immediate impulse behind this legislation is humanitarian, it can be justified only if it could

42 US Congressional Record, n.20, pp.5375-80, Statement of Senator Gillette on 14 May during the Senate debate on Emergency Food Aid to India" (S 872), pp.1263-4; pp. 5953-4, Statement of Mr. Richards, Chairman, House Committee on Foreign Affairs during House debate on 24 May 1951.
'provide for the general welfare of the United States'. This is basic to the Committee's consideration and approval of the bill'. The measure was expected to "assist in stabilising the position in India, which can have an important impact on the stability of the Far East as a whole". Similarly, while recounting precedents during the last half century of US concern for people struck by natural disasters in Cuba (1899), French West Indies (1921), Soviet Union (1922) and the recent example of Yugoslavia, the Senate Foreign Relations Committee recognised US national interest coinciding with the humanitarian concern for the Indians. Stability was likely to be affected if chaotic conditions developed as a result of starvation and deteriorating economic situation, declared the Senate Committee's Report. The US foreign policy interests were also highlighted subsequently during the debate in both Houses.

While expressing support for the bill on humanitarian reasons, it was clearly asserted by Senator Leverett M. Saltonstall (Republican, Massachusetts) that passage of the bill "will bolster the ultimate security of the United States. It will make the inroad of Communism into India more difficult". The Communist threat to India was perceived both from within and outside of the country. Republican Congressman, Walter Judd of Minnesota, contended that "without the food provided in this bill there is going to be

43 House Report, n.23, p.25.
44 Senate Report, n.23, p.5.
mass starvation in India. With a mass starvation in India, the Government of that new Republic will almost fall within a matter of months and be replaced by a government completely and totally subservient to and the agent of the Kremlin. The Chinese invasion of Tibet would make India recognise its significance and potential threat, Congressman John M. Cormack (Democrat, Massachusetts) argued.

Aware of the recent political differences between India and the US, an equally important reason given by the Congress and supporters of the measure was the necessity to utilise an opportunity for building Indo-US relations. Recognising clearly "the element of self-interest involved," Republican Senator Homer Ferguson of Michigan declared, that "we want to help Indian people because it is important to have their goodwill". He further added that "aiding India at a critical hour would demonstrate American goodwill. The gratitude of the Indian people will be expressed in the form of goodwill in return". The bill, according to Senator Guy Gillette (Democrat, Iowa), would lay the foundation of "the soundest possible friendship" with India which was "destined to become one of the world's greatest powers". Republican Congressman James Fulton of Pennsylvania went as far as to state that "the USA is being benefitted because we are getting an ally that will stand by us if we maintain our high principles, in the event of trouble and world War III". The food aid was, however, "not a bribe to get India to take
sides with the United States or the United Nations". Since loyal friendships are not bought and trusted allies are not bribed, an attempt should be made to earn these relationships. In this context it was necessary to demonstrate American humanitarianism.45

While it was suggested that the opportunity should be seized to build Indo-US relations, the dominant theme was saving India from Communism. The establishment of a Communist regime in China was considered to be the "loss of China" to the "free world". Congressman Jacob Javits (Republican, New York) stated that after the "loss of China" it was necessary to preserve democratic institutions in India which had become "the fulcrum of Asia". Congressmen Judd and Abraham Ribicoff (Democrat, Connecticut) asserted that "if India went Communist the whole great Eurasian Island would at that stage be in complete control of Soviet imperialism. With China and India added to the Communist orbit it would be absolutely impossible for any other nation or any other peoples in that vast area to hold out against Communism". In this context even more important than winning Indian friendship was the necessity of ensuring that India was not lost to the Communists. Losing India would have meant a major defeat for the United States, according to Senator Humphrey.

It would endanger US security as "India's manpower, resources and strategic bases could go to the enemies". Under the circumstances it was felt that "the greatest service they can render us is to keep their Government independent of the Soviet Union," which was believed to be "turning heaven and earth to get control of it." 46

There is ample evidence to show that the Congressional support to the Aid India bill was motivated more out of consideration of security in Asia as then perceived than out of humanitarian consideration. The preamble to the Senate bill stated:

It is the purpose of this Act to serve the cause of world peace and thus provide for the common defence and general welfare of the United States by furnishing emergency food assistance to the people of India in order to alleviate starvation mass suffering threatened by famine conditions in that country. 47

The sentence was subsequently dropped by the House-Senate conference. 48

The demonstration of American humanitarianism in the form of food aid to India also had a publicity value in the context of the East-West cold war, supporters argued.


47 Ibid, pp.5979-80 from the text of the bill S 872 reproduced there. The original bill was still more blunt in admitting that it is the purpose of this Act to promote foreign policy and the national interest of the United States. Ibid, pp. 1283-4, Text of bill introduced in the Senate on 15 February 1951.

When millions of dollars were being spent through publicity media, such as the Voice of America, to convince the people of the world about the righteousness of the American cause, the "sheer propaganda value of this bill" was "sufficient to necessitate its passage". Senator Ribicoff pointed out that the effectiveness of the publicity that could be garnered would be affected by delayed American action which had provided the Russians and the Chinese opportunity to capitalise on the situation. However, quick passage of the bill was still important to launch a counter-offensive. 49

These arguments were vigorously challenged by several Senators and Congressman. The critics believed that India had been opposing the United States in the United Nations and outside and was leaning to the Communist side on the Korean question. India's posture was attributed to Communist leanings of Nehru who, it was believed, was brought up and educated in Moscow. "He [Nehru] refused to join his associates in United Nations in declaring China the aggressor in Korea. He refused to join in the laying down of an embargo against Communist China. He protests our resistance to Chinese Communism." The fact that India had not agreed to military participation under the UN command was also resented. Since India "has no intent of assisting [United States] even by its moral support," it did not deserve US assistance. Why should the United States help India when

she was not willing to help the United States?

"These so-called famines are no new things in India". Studies reveal that such shortages arose on an average once in seven years, declared Congressman James Davis (Democrat, Georgia). The famine was due not only to natural disasters but to wrong policies pursued by the Government of India, which was currently draining resources in the Indo-Pakistan dispute in Kashmir, Congressman Omar Burleson (Democrat, Texas) asserted. Questions were also raised about reported Indian diversion of land from food crops to jute and cotton and non-purchase of foodgrains by India from Pakistan. 50

It is no doubt true that Indian agriculture depended on monsoons and famines were a recurrent feature. That the situation was created by the Government's policy was not quite correct. To correct imbalances caused by partition, India did divert land to jute and cotton, but it had no significant effect in curtailing food output, as a House document itself noted. Apart from the grow more food campaign, agriculture received a high priority in the proposed development programme. India had also agreed to purchase all available Pakistan grain in terms of the trade agreement signed on 28 February 1951. 51

The opponents, such as Congressman Burleson, also


51 US Congress, Information Relating to HR 3794, pp.3-4, 10-14.
raised doubts about the capacity of the United States to spare the grain and expressed concern over the mounting burden of aid bills since the commencement of the Marshall Plan. In 1951 the United States had no surpluses to dispose off by dumping. Even so, it had an estimated carry over of 485 million bushels of wheat, which would have gone down to 350 million bushels if the Indian request was fully met. Moreover, a proviso had been inserted in the bill requiring the Secretary of Agriculture to certify before supplies are made that such supplies "will not impair the fulfilment of the vital needs of the United States". Despite the fact that the Secretary of Agriculture had voiced no misgivings concerning the proposed aid to India, doubts were raised in view of reports appearing in the press in April 1951 regarding a poor wheat forecast. Some critics harped on the point despite the clarification provided by the Administration that the forecast would not materially affect the position.

Congressman John Rankin (Democrat, Mississippi) 52 tripped out the argument that "wild eyed internationalism" of the United States Government would wreck the country by making it bankrupt. The Aid India bill would become a precedent as there would be no justification for denying requests from Israel, Spain, Yugoslavia, Iran or any other

country in the world. Congressman E. Cox (Democrat, Georgia) warned his colleagues that such philanthropic outpourings would impose on the United States a burden of about $7 billion a year. Why should other countries not be made to share the burden of the expense? Why should not the aid be given through the United Nations? Questions like these were raised, for instance, by Representative William Lontiff (Democrat, Florida). The critics chose to ignore the President's categorical assertion that "the purpose of this program is to meet the current emergency in India ... It does not constitute a precedent for continuing to provide food to India on a grant basis or for providing similar aid for other countries".53

The opposition to the bill recommending Food Aid to India, softened when the proposal was finally changed from gift to a loan. Outright gift was opposed not merely on grounds of burdening US budget but also as India had only asked for a loan on concessional terms. The minority report of the House Committee on Foreign Affairs, apart from recommending a loan instead of a grant, wanted repayment in strategic materials like manganese, mica, burlap and monazite sands.54

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53 US Congressional Record, n.20, pp.5684,5950; Hearings, n.8, pp.4-5,136-9.

54 US Congressional Record, n.20, pp.4984-5, Statement of Senator McCormack; p.5684 for Mr. Cox's statement during the House debate on 22 May 1951. This was also the plea of Mr. Keenan of the House of Representatives during his testimony before the House Committee (Hearings, n.8, pp.145-6; House Report, n.23, p.33)
Congressman B. Forrester (Democrat, Georgia) asserted:

India makes a case for needing grain, but our people are in a terrible emergency. We need monazite for our existence. We need manganese. We need strategic materials that are utterly necessary in the event of an all out war. These materials are more necessary to our preservation than grain is to India perhaps. You can die from starvation and you can also die from atomic bombs. 55

The argument was appealing since it made the measure look like a good bargain. It was actually an attempt to coerce India to lift the embargo it had imposed on export of fissionable material in 1946.

Much of the controversy on this issue was based on misconceptions. The materials other than monazite sands i.e., manganese, mica, and burlap were already being exported by India to the United States. Only export of monazite sands was under embargo as it was then believed that thorium, a fissionable material, could be produced after processing monazite. Both the importance of monazite sands to the development of atomic energy and the nature of the embargo was exaggerated. Monazite was used for research but other materials were available to augment the national supplies of this material. In fact, it appears that the "monazite lobby" was created by a certain American company that had a monopoly on monazite* and had refused to process these sands in India in accordance with the Government of India's policy. The State Department made it clear that it did not favour the application of any pressure on India, though it was pursuing the question of lifting the embargo. Any attempt

55 US Congressional Record, n. 20, pp. 5720-1.
to introduce an amendment would be regarded by India as interference with its independent control of its own resources, the Department noted. Any such pre-condition would not only result in "lasting hatred of India but might even result in the Indian Government choosing to refuse the terms, despite the suffering which would follow. Should this occur, it would take decades to restore the destruction which US prestige would suffer in India and all Asia.  

American Public Opinion

Even though the American press reflected the Congressional controversies, the measure evoked substantial public support, especially after the President sent his message to the Congress on 12 February 1951. The support was expressed through editorials and articles in the press, resolutions by organisations, e.g. relief agencies, communications from individuals received by Congressmen and the Congressional Committees reviewing the Aid India bills. Church and religious leaders of all denominations in particular gave unqualified support. Overwhelming support was expressed in favour of giving aid to India in a Gallup Poll taken in

56 US Congressional Record, n.20, pp.884-6, Statement by Mr. Jackson and Mr. Hallifield during the House debate on 23 May 1951; Information Relating to H.R.3791, n.51 pp.27-28; State Department Document, n.37, p.8. The total value of exports of monazite stipulated was only a million dollars a year; State Department Document, n.37, p.8.
March 1951.57

The popular support to the measure was both on grounds of humanitarianism and awareness of long range US national interests. While there were differences of emphasis on the two aspects there was near unanimity reflecting the opinion voiced by Clarence Mitchell of the National Association for Advancement of Colored People, that the measure "will not only be an act of great humanitarianism, but it will also show to the people of Asia, Africa and South America that we favour freedom, food and security for all men everywhere". Testifying before the House Committee on Foreign Affairs, Dorothy Norman, Chairman of the American Emergency Food Committee for India, referred to the widespread public support on humanitarian grounds, yet also stated that "what is needed at this moment is the stability of those who will have an opportunity to safeguard their freedom. And grain is less expensive than guns".58

57 US Congressional Record, n.20, pp.A3120-7, A2694-5; Hearings, n.8, pp.14-22; Senate Report, n.26, p.5; The Gallup Poll, vol.2, pp.978-9, 25 April, Grain for India. Interviewing date 26-31 March 1951. Replies in response to the question "Because of crop shortages this year in India, do you think the United States should or should not give grain to that country?" were:

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58 Hearings, n.8, pp.103, 120-1; Also see Senate Report, n.29, p.5.
The wide coverage in the press as also views expressed therein carried similar themes of humanitarianism mixed with enlightened self-interest. "Our humanitarian traditions, the simple rules of Christianity, demands as much. Beyond that, our own self-interest is directly involved, for the consequences of Indian famine could adversely affect the security of the nation and the entire free world," the Washington Post declared.

While political differences between India and the US were recognised, a plea was made that "hunger and politics do not mix, and any attempt to associate them would do this country incalculable harm". "Causing starvation by withholding grain would not be a good tool of diplomacy," the Christian Century pointed:

The New York Times declared that even though Americans may not agree with India's policies, it was necessary that quick relief was provided to India to establish credibility. The newspaper's New Delhi Correspondent wrote that if the Indian plea was rejected, the "friends of the United States in the Government [of India] ... will suffer a great loss of influence in the wave of anti-American feeling that is likely to arise among Indian legislators, whose constituents are hungry". Maintaining American prestige and countering Communist propaganda were reviewed by the New York Times as important factors that the Congress should take note of avoiding further delay in enacting the bill. The Christian Science Monitor asserted that "some members of the Congress who, on paper, are most passionate anti-Communists have found an extremely effective way of making Communists. It is to
let 100,000,000 people go hungry while the Americans sit tightly and comfortably on a stored surplus of wheat amounting to several times the famine need in the land." 59

The largest support on the grounds of humanitarianism naturally came from the church. Even the church opinion had a clear admixture of humane concern for the starving people and enlightened American interest. Delivering a sermon entitled "Lazarus at America's Gate," the Reverend Leland Stark stated, while a measure, like the proposed aid to India, could be supported in a less complex period of history ... purely on the basis of Christian humanitarianism, but today every move on the international scale carries political connotations and must be made with reference to the global struggle between Communism and the free world". 60

Rev. Vincent Meaney of the Holy Cross Foreign Mission Seminary told the House that he accepted "without question the proposition that aside from the humanitarian influence ... this gift to India, without strings will be another blow against influence of communism in India". The General Board of the National Council of Churches of Christ in the United States of America adopted a resolution on


60 US Congressional Record, n.20, p.A2694, from reprint of full text of the sermon.
17 January 1951 supporting action to help India "not only on humanitarian grounds but also for the reason that it would strengthen the bonds of friendship between the American and the Indian people". Humanitarianism went hand in hand with political vision, so they advocated an overwhelming support to the bill, apart from mobilising relief through voluntary contribution.61

J.J. Singh, President of the India League, also lent his organisational support to the measure through various forums.62

Despite the spontaneous and favourable response to the Food Aid bill, dissenting voices were also heard during the public discussion. The root of antipathy expressed in the press was also the belief that India and its government were pro-Communist and that the latter often opposed the United States in the United Nations. "Nehru and company who temporarily rule India have been having fun lately kicking Uncle Sam in the ribs at the meetings of the United Nations," wrote _Washington Times-Herald_. Anticipating that the Congress would ultimately pass the bill, the line of attack of such critics shifted to the proposal of giving a grant,

61 _Hearings_, n.8, pp.191,196, testimony of Dr. Franklin Clark Fry, President, United Lutheran Church in America, representing National Council of Churches of Christ; US Congressional Record, n.20, pp.5971-2, Congressman John Vorys gave a figure of $3.5 million approximately as voluntary relief until third week of May 1951 during the House debate on 24 May 1951;

62 _The Statesman_ (New Delhi), 24 January 1951, J.J. Singh, President of the India League on "US Foodgrains for India: Decision with Congress"and his testimony before the House Committee; _Hearings_, n.8, pp.107-19.
when India had asked only for a loan. Conservative columnist Henry Hazlitt of *Newsweek* voiced the point forcefully. Taunting remarks were made at the State Department's munificence at the taxpayers expense. "America does not sell anything to people in trouble; it is all free, and the American tax payer foots the bill. We would like to ask whether wheat that is paid for wouldn't alleviate a famine as quickly as free wheat? Some of the richest people in the world live in India," said the *Elkhorn Independent*.  

Coupled with the stated Indian desire to pay for the wheat was also the feeling that India can pay for the grain. The *Bridgetown (N.J.) Evening News* spoke of India's rich princes as also its rich mineral resources. While minerals and materials were talked of generally, the focal point of critical press attack was on the alleged failure of the US Government to obtain strategic materials, especially monazite sands, from India. The US Government's failure to apply pressure on India to lift the embargo on export of monazite was criticised. "Evidently our policy makers were afraid that America would be accused of colonialism if we urged a friendly government to whom we are expected to hand out a large dole, to let us buy some of its vast surplus of monazite,"

the Washington Evening Star stated.64

The "monazite lobby" of interested industrialists has been referred to earlier. The lobby sought to induce press campaign in support of its efforts to influence the Congress. Witnesses representing other special interests emphasised their particular interests while supporting the measure before the House Committee. George D. Green, President, Southern States Bag Co. wanted that "India should assure us of the supply of burlap we need in this country". Fraser A. Bailey, representing a major segment of deep-water American flag shipping, pleaded for a provision in the Act to ensure that at least fifty per cent of all the commodities under the Act were transported in US vessels.65

Ranged with opponents of aid was the Pakistan League of America. A pamphlet was submitted by the Pakistan League of America to the House Committee on Foreign Affairs asserting that "if there is a famine in India today, it has not been brought about by natural calamities. It is the direct inevitable result of the Government of India's plan to break Pakistan's economy!" The food shortages in India had been caused by India's refusal to buy cotton, raw jute and foodgrains from Pakistan and diversion of acreage to


65 Hearings, n.8, pp.139,162-6.
jute and cotton from foodgrains. The pamphlet also stated that Pakistan was willing to sell foodgrains to India and emphasised that US should give no free gift of wheat. The supplies should be limited also to 500,000 tons (twenty-five per cent of the Indian request). The pamphlet came in handy for critics of aid who also cited the views of D.R. Gadgil, a well known Indian economist, who had blamed the Government of India for the crisis.

The House Committee considered the matter significant enough to warrant further investigation. But the Administration clarified that the impact of jute and cotton diversion was not significant and that Pakistan did not have sufficient surplus to affect the situation, thus indirectly refuting the allegations of the Pakistan League of America. The House also had to be assured that the shipment of grain to India would not affect adversely US efforts in promoting peaceful settlement to Indo-Pakistan differences. Doubts in the House were nullified when India and Pakistan signed a trade agreement on 25 February 1951, in terms of which Pakistan agreed to sell India 325,000 tons of foodgrains. The grain agreed to be sold by Pakistan was part of India's commercial purchases and did not affect the need for assistance provided in the bill. The House Committee recorded "its approval of the trade agreement as a further indication that India has

66 Hearings, n.8, pp.50-57,109-11,119,126-8,130-1,137-8, 147,167. Dr. D.R. Gadgil later also became Deputy Chairman of the Indian Planning Commission.
sought to uncover every source of grain that it can purchase with its own funds". Despite this, the Pakistan League's arguments were used even subsequently in the Congress by the opponents of the bill. 67

The Indian Government's Response to Debate in the US

Even though there was no definite public pronouncement until 1 May 1951, the Indian determination to adhere to their political views on international issues despite the need for assistance from the United States was clear from the very beginning. It was also anticipated that because of political differences aid might not be forthcoming. Soon after the request was made for US aid the Indian Government asked the nation to be prepared to do without assistance in such an eventuality. Prime Minister Nehru, in his New Year's eve broadcast to the nation, stated:

...we are trying to get food from all over the world wherever it may be available. We will make every possible effort to fight starvation and famine. If we cannot get enough food abroad to meet all our needs, then we must spread our food deficit all over the country and all over the

67 Hearings, n.8, pp.50-51. Testimony of Mr. Thorp and chart written statements given by the State Department regarding diversion of jute and cotton acreage and Pakistan's surplus foodgrains (p.75). The diversion resulted in loss of 175,000 tons compared to the total loss of over 5 million tons. Pakistan's total exportable surplus was 300,000 tons of rice and 25,000 tons. House Report, n.27, p.11; Bulletin, n.50, p.674 for a similar statement by Secretary of State, Dean Acheson, before the Senate Committee on Foreign Relations on 16 April 1951.
people. It

The Government of India was exploring all possible foreign sources of supply. However, if adequate grains could not be imported, stricter controls would have to be imposed on consumption. The reduced ration which was subsequently enforced was part of the internal measures to conserve supplies and share the burden equitably.

The nation was prepared to do without US aid as it had no intention of giving up its independent approach in foreign policy, including efforts to seek a solution of the Korean question. Even while the request was pending with the US Administration and the country was living from "ship to mouth", India voted against the US sponsored resolution in the UN branding China as an aggressor. That this policy and the consequent criticism of it in the United States had affected Indo-US relations was also recognised. This is evident from Nehru's statement in Parliament on 12 February 1951:

> We have endeavoured to maintain the friendly relations that have happily existed between India and the United States of America and in spite of differences of opinion, we shall continue to do so. There has been a great deal of criticism of our policy in the press and statements of prominent men in the United States of America. We welcome criticism and try not to let this criticism come in the way of our friendly feelings towards America, just as we

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68 Hindustan Times (New Delhi), 1 January 1951, from full text of Nehru's broadcast to the nation.
cannot allow it to influence us in a direction we consider unwise or wrong". 69

While expressing hope for better relations it was also emphatically stated that American opinion will not be allowed to influence India's policies. That this statement was made in New Delhi on the same day as the US President sent his message to the Congress to recommend aid to India, is also not without significance.

Apart from the Korean question, there were differences between India and the United States over the Kashmir issue. Whereas the United States and the United Kingdom supported the Pakistani case for a plebiscite in Kashmir under international supervision, India was opposed to the intrusion of foreign troops in Kashmir. India rejected the Anglo-US proposal for demilitarisation through arbitration. When despite India's clearly expressed views, the UN Security Council approved the Anglo-US resolution, India did not accept the same. Subsequently, India went ahead with its plan to set up a Constituent Assembly for the people of Kashmir despite US apprehensions. 70

69 The Statesman (New Delhi), 13 February 1951, from the text of Nehru's statement in Parliament on 12 February 1951; Also see The Statesman (New Delhi) 1 and 2 February 1951. Mr. K.M. Munshi, the Food Minister, was quoted as having stated on 1 February 1951 that "today we are living from shop to mouth. The Government of India is doing its best to secure shipping space for imports".

70 Ibid, 13 February, 2 and 31 March 1951.
The Government of India made it abundantly clear that it would not compromise its stand on international issues, whether aid was coming or not. At the same time the US Administration's effort in pursuing the Congress to approve the aid bill were appreciated in Parliament by K.M. Munshi, India's Minister for Food and Agriculture. The Government of India maintained close touch with the US Government on the subject of food aid, while the bill was under Congressional consideration.\footnote{India, Parliamentary Debates (New Delhi, 1951), vol.6, part I, pp.2294-5; vol.10, part II, p.6330, Statement of Mr. K.M. Munshi, Minister for Food and Agriculture in Parliament on 7 April 1951.}

The Indian approach, after consideration of the provisions of the House bill and the Senate bill, was stated by Prime Minister Nehru in his broadcast to the nation on 1 May 1951:

\begin{quote}
While we welcome all help we can get from foreign countries, we have made it clear that such help must not have any political strings attached to it, any conditions which are unbecoming for a self-respecting nation to accept, any pressure to change our domestic or international policy. We would be unworthy of the high responsibilities with which we have been charged if we bartered away in the slightest degree our country's self-respect or freedom of action, even for something which we need so badly.\footnote{US Congressional Record, n.20, p.5874, from the reprint of the full text of the broadcast.}
\end{quote}

Irrespective of India's pressing need for US assistance, it was acceptable only if no political strings were attached.
The dangers of political pressures in times of crisis were also recognised, when Nehru declared:

We have sought help from abroad, as needs must, and we shall continue to do so under pressure of necessity, but the conviction is growing upon me more forcibly than ever how dangerous it is for us to depend for this primary necessity of life on foreign countries. We can never function, with the freedom that we desire, if we are always dependant in this matter on others. It is only when we obtain self-sufficiency in food that we can progress and develop our polities. Otherwise, there is the continuous pressure of circumstances, there is trouble and misery and there is sometimes shame and humiliation. 73

The conditions unacceptable to the Government of India were clarified by the Prime Minister in his statement to the Parliament on 10 May when he explained the provisions of the House and Senate bills. He expressed preference for the terms embodied in the House bill which had converted the original gift proposal to loan in comparison to the "half loan half grant" Senate bill. While there was no objection to the supply of materials to the United States in part payment of the grain, it was clarified that "it is a fundamental part of our foreign policy that such material as is particularly related to the production of atomic or like weapons should not be supplied by us to foreign countries". Loan was preferred to grant as the latter required conditions that the agreement under the Act "should contain undertaking ensuring distribution of food without discrimination, publicity to the assistance furnished by the United States Government to observe the distribution of

73 US Congressional Record, n.20, p.5874
supplies in India". These supervision conditions would have brought in external interference in domestic affairs.\textsuperscript{74}

The statement made the desired impact in the course of the Congressional debate on the bills. Since India itself preferred a loan, the grant proposal was turned down. The condition of repayment in strategic materials was phrased in general and acceptable terms without making it obligatory to supply articles like monazite sands, the export of which was banned on matter of policy.

\textbf{The Indian Public Opinion}

The Government's stand of not accepting aid with strings, even during a period of acute food shortage, had the full support of the Indian public opinion as expressed in the Parliament and the national press. The food crisis and the measures to deal with it were discussed during the debate on demands for grants of the Ministry of Food and Agriculture on 6 and 7 April at a time when the outcome of the Aid India Bill in the Congress was still uncertain. However, only a couple of voices were heard in favour of exercising a choice between "starvation and freedom" and acceptance of "grain from any available source without political prejudices". If the choice had to be exercised, starvation would be more acceptable than barter of freedom. The entire focus of the debate was on measures to achieve self-sufficiency in foodgrains by 1952 and measures for regulating internal procurement and distribution of foodgrains. This was

\textsuperscript{74} Parliamentary Debates, n.31, pp.413\textsuperscript{1}-2. Also see N.K. Nicholson, Politics and Food Policy in India (Thesis, Ph.D., Cornell University, USA, 1966), p.158.
so even when there was full awareness of the gravity of near
famine conditions prevailing in some parts of the country
and considerable hardship was caused by the reduction of
daily rations to 9 oz per person.75

The press followed the controversy in the United
States over the Aid India Bill closely. The metropolitan
newspapers carried stories throughout the six month period
covering news and views concerning the food crisis and the
proposal for US assistance. Editorials and other comments
were characterised by expectancy during the initial period,
gratitude after the President's message to the Congress,
resentment at the Congressional delays and attempts to attach
political conditions and "all is well that ends well" when
the legislation was finally enacted.

The "expectancy" phase commenced with the hopes raised
by the interview given by Mrs. Vijay Lakshmi Pandit, Indian
Ambassador to USA, in London on 9 January 1951 to the Press
Trust of India. Mrs. Pandit stated that the Indian request
had mass public support and was receiving sympathetic treat-
ment by the US Administration. Even though some Congressional
delay was anticipated, supplies were expected to commence by
February 1951.76 Subsequently, when the ration cut was
announced by the Government of India, the Hindu wrote that
"American help can prevent this happening and India has a


76 The Hindu (Madras), 10 January 1951 and also see The Statesman (New Delhi) of the same date.
right to ask for that help." However, even at this stage it was noted that "it is uncertain whether the full quantity of planned imports could be had while negotiations for two million tons of wheat from the United States proceed leisurely," as the Hindustan Times put it.

At the same time there was recognition of the possibility of some quarters in US exerting pressures through delay. Hindustan Standard clearly expressed that "India's policy whether foreign or domestic, political or economic, is definitely not going to be compromised under duress".

Similarly, Amrit Bazar Patrika asserted that "India would rather starve than submit to any such pressure, if unfortunately it is exerted directly or indirectly from any quarter on question of food".

The moves of the State Department were closely watched and the likely reaction of the Congress was commented upon.

The public support in the US was welcomed. It was observed, for instance, by the Hindustan Times that "The New York Times for the second time within a week today editorially urged the US Government to supply grain to India". Hopes of early Congressional action were revived after the White House

77 The Hindu, 21 January 1951.
78 Hindustan Times, 21 January 1951. Times of India (Bombay) of the same date was more pessimistic and felt that "It is not unlikely that the talks may end as fruitlessly as those of 1949". The Bombay Chronicle saw no chance of the bill going through and advocated withdrawal of the request.
79 Hindustan Standard (Calcutta), 29 January 1951.
80 Amrit Bazar Patrika (Calcutta), 6 January 1951.
conference in the first week of February 1951. The outcome of the Conference was hailed with the headlines "Hoever endorses food aid to India, Americans asked to make sacrifice, may now clear for Congress to Act". The Hindu reported that "Administration officials were frankly surprised at the total wave of public and Congressional sentiment which favoured early aid to India". The prospects were reportedly good and even the President's favourable message to the Congress was anticipated with the headlines "India's request for US grain - favourable action expected, supplies likely from April".

President Truman's message was widely welcomed. Amrit Bazar Patrika saw in the message "hopeful sign of India's expectation from the USA materialising". His proposal to authorise supply of 2 million tons of grain sinking political differences was described by Hindustan Times as a "generous gesture". The measure was seen as the commencement of a new phase in Indo-US friendship. It was further observed that "what will make the American gift move worthwhile, when it comes, is that it is being offered unconditionally, without any attempt to exact a price from India".

81 Hindustan Times, 26 January and 9 February 1951.
82 The Hindu (Madras), 12 January and 10 February 1951.
83 Amrit Bazar Patrika (Calcutta), 14 February 1951.
84 Hindustan Times, 14 February 1951.
for setting up counterpart funds for future agricultural
development was appreciated. The Statesman declared, "What the
United States of America seeks to encourage is not attendance
but self-help".85 While noting the favourable US response to
the message, the Hindu observed some behind the scene manoeuvres
showing adverse signs. The newspaper did not anticipate smooth
passage of the bill in view of undercurrents of Congress
opposition to the proposal.86

The expectations of early shipments of grain were
delied when reports of increasing opposition in the Congress
were reported in the metropolitan press. Expectancy turned
into deferred hope.87 The Hindu, for instance, reported
stiffening Congressional opposition to the Food Aid Bill in
the US, both on account of the merits of the bill and the
unpopularity of President Truman and Secretary of State Dean
Acheson with the Congress.88 The Hindustan Times reported
that the Congressional opposition had also increased on
account of the "pro-Communist" speeches of Dr. Bharatan Kumarrappa,
India's delegate to the UN Social Commission. That a known
Gandhian was misrepresented as a communist was taken to be an
insult. The proposal to convert gift into loan with attached
"strings" of repayment in strategic materials was resented.
"If American aid comes, she India would welcome it as she

85 The Statesman (New Delhi), 14 February 1951.
86 The Hindu (Madras), 15 February 1951.
87 Hindustan Times, 7 March 1951. Also see The Hindu (Madras),
88 The Hindu (Madras), 20 March 1951.
needs it badly. But if it does not come or comes with strings attached, which would make it unacceptable to an honourable and self-respecting people, she will still go her own way, in the faith that even the most insurmountable difficulties will give way before the courage and determination of a people who have made up their minds to get the better of difficulties.\(^8^9\)

The deferred hope gave way to despair. By the end of March the situation had become even more critical. According to the *Hindustan Times*, the aid to India did not remain "a question as to how it should come, whether by way of a gift or of a loan on easy terms of repayment, but whether food will reach this country in time to avert another vast human tragedy. To delay aid under the circumstances is to deny it". The reported Russian and Chinese offers, though not adequate to deal with the situation, received publicity and press gratitude. Voices were raised in the United States not to lose the opportunity and urging quick action to retrieve the situation.\(^9^0\)

The *Hindu* and the *Statesman* simultaneously declared that "the gist of friendly American comment" was "while America may not win India with wheat, America will lose India without wheat".\(^9^1\) The *Hindu* lauded the efforts of the State Department to obtain quick passage of the bill as well as the increasing support from large segments of the American press. The *New York Times*, *New York Herald Tribune*, *Christian Science Monitor* and *Washington Post*, were particularly mentioned.

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89 *Hindustan Times*, 9 and 12 March 1951.
90 ibid, 30 March, 3 and 4 April 1951.
91 *The Hindu* (Madras), 2 April 1951; *The Statesman*, 2 April 1951.
The gathering support was appreciated in the Indian press. The delays and difficulties in obtaining aid did not affect the resolve that "India would starve rather than barter away her freedom for food," stated the Hindustan Standard, pleading that the Government should reject offers of foodgrains "that have political strings attached to them." There was renewed demand for rapid implementation of the internal food production programmes. The Hindustan Times argued that "continued imports on the heavy scale that have been going on during the last few years constitute a heavy burden which this country can hardly afford to bear. The only solution is the rapid implementation of the integrated self-sufficiency programme". While this could be a long term solution, there was no alternative to American supplies. As the proposal received consideration of the Congressional Committees finally towards the end of April, continuous pleas were made for expeditious clearance of the bill. The urgency had increased as famine threatened parts of Bihar and most of Southern India. Pleading for emergent action, the Statesman wrote, "The dead do not eat, even when food is free. Possibly excitement over General MacArthur has caused these facts to be overlooked by the US Congressmen. Now he himself may have helped to recall them. A little more food in their stomachs,' that is what General

92 The Hindu (Madras), 5 and 8 April 1951.
93 Hindustan Standard, 8 April 1951.
94 Hindustan Times, 8 and 22 April 1951.
MacArthur suggests. That is what India asks".95

"The US Senate Foreign Relations Committee’s move to allow this country the 2 million tons" of foodgrains, even though belated, was welcomed by the Times of India.96 There was not much comment on the terms and conditions of the proposed bills until the Prime Minister’s broadcast of 1 May 1951. Prime Minister Nehru’s broadcast of 1 May 1951, barring aid with strings, was widely acclaimed by the national press.97 The Hindu reported that on account of the unfavourable reaction in the Congress to this broadcast, the consideration of the measure had been further postponed. The attempted pressurising through postponement of the consideration of the bill in the Congress was dubbed as hard bargaining. It was emphasised that "Mr Nehru has long made it clear that he does not want condescending charity from anybody". A report from Washington that the State Department was satisfied that the Congress reaction to the speech of Mr Nehru was unwarranted, was welcomed.98

There were, however, some dissenting voices too. While Nehru’s call to streamline internal procurement and the distribution system was welcomed, Bombay Chronicle dubbed his statement regarding political strings as ambiguous.99 The Times of India acknowledged the clarification given by the Prime Minister in his statement before Parliament on 10 May

95 The Statesman (New Delhi) (21 April 1951).
96 Times of India (Bombay), 23 April 1951.
98 The Hindu (Madras), 3, 4 and 6 May 1951.
99 Bombay Chronicle, 3 May 1951.
on doubts arising out of his earlier statement of 1 May 1951. The Prime Minister's later statement was considered to be softening the earlier statement on political conditions by the Hindustan Standard. The conditions attached with the gift were criticised in the following words:

Apart from provision for compulsory thanks giving which is somewhat ridiculous - and drafting of America's watchdogs for the fair distribution of all food, American, imported or indigenous, there is also the obligation for spending the money collected through the sale of foodgrains according to the pattern set by the USA. If that is not encroachment on sovereignty we do not know what is.

Finally, hopes were revised when the Senate considered the bill on the floor in the third week of May. The Hindustan Times, however, considered Senator Bridges' attempt to introduce "monozite" clause (by which India would have been coerced to repay in terms of this strategic material) as "sabotaging the bill". The Statesman felt that "protracted wrangling in the US Congress over the food bill has already ... deprived it of most of its value as a gesture. The Bridges amendment could complete the process".

The news of passage of the bill by the Congress without any of the debated obnoxious conditions was widely acclaimed. The official statements of expression of thanks to the United States were commented favourably by the leading newspapers.

100 Times of India (Bombay), 11 May 1951.
101 Hindustan Standard, 12 May 1951.
102 Hindustan Times, 19 May 1951.
103 The Statesman (New Delhi), 21 May 1951.
The Amrit Bazar Patrika pointed out that "In expressing the gratitude of the Government of India to the US Government and the US Congress for coming to India's aid in her hour of need, the Prime Minister echoed the feelings of the nation as a whole". Along with the promise of American shipments came the announcement of restoration of the much resented ration cut. The Hindu thanked the US President for his efforts "to see that the aid given was not hemmed in with restrictions which would offend Indian susceptibilities and be acceptable to us". It was also appreciated that finally the bill enacted was in line with the original Indian request.104 The Hindustan Times stated:

The US Administration's original proposals of an outright gift or half-gift and half-loan deal were likely to be accompanied by conditions inconsistent with the country's sovereignty and reflecting on the integrity of her administration. Our Government could not have agreed to the supply of any specific strategic material under duress nor could they have allowed a team of American observers to go about the country watching distribution and emphasising American charity.105

The Statesman pointed out that official goodwill was never doubted, the gesture would have been better appreciated if the assistance had not been so delayed. There was a sigh of relief as the much belated arrivals of shipments were still needed even though the worst of the crisis was over.106

104 The Hindu (Madras), 12 and 13 June 1951; Hindustan Times and The Statesman, of the same dates; Amrit Bazar Patrika (Calcutta), 15 June 1951; The Hindu (Madras), 15 June 1951.

105 Hindustan Times, 13 June 1951.

106 The Statesman (New Delhi), 13 June 1951.
While expressing thanks "for favours rendered" the reasons for delay were analysed by the *Times of India* as follows:

If the transaction has taken some four months to complete, this is ascribed to hyper-sensitivity on both sides. India, with millions of hungry mouths to feed, has been impatient and critical of long delays and the twists and turns of the Congressional debate. It is to the credit of the American public that many voices were raised in the United States to protest against this dangling food beyond the hungry man's reach and many were the private gestures of aid generously made... such gestures obliterate the memory of the grosser methods of the market place.

Forgetting the unsavoury aspect of the debate, the *Bombay Chronicle* felt that "it may well prove an important and historic landmark in the progress of friendly relations between the United States of America and the Union of India." *Amrit Bazar Patrika* declared that "it was not a selfish political deal between secretive and calculating politicians. It is a friendly deal between two friendly nations and a stimulating example of international cooperation for a humanitarian purpose." Acknowledging American assistance in relieving current distress, the *Hindustan Standard* emphasised that "India cannot go on depending eternally on foodgrains supplied from abroad to feed her vast population. This would mean precarious living particularly in view of the uncertainties..."

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107 *Times of India* (Bombay), 13 June 1951.
109 *Amrit Bazar Patrika* (Calcutta), 15 June 1951.
of foreign supplies. It was, therefore, essential to pursue the objective of self-sufficiency in foodgrains with redoubled vigour.

Conclusion

The experience of 1951 helped both the donor and the recipient to evolve the pattern of subsequent aid relationship. The free and frank debate brought out the complex factors that determine the decision making process of foreign aid policies in the United States. Since an important segment of influential public opinion sought a political price for aid in distress, India also had to define the terms on which such aid was acceptable. The ad hoc assistance coincided with the formulation of the first five year plan. An evaluation of the impact of this aid on the process of planned economic development, helped in determining the future policy regarding economic aid and plan priorities.

While humanitarian considerations might have been an important element in guiding public opinion in favour of aid to starving people, it provides no clue to the spontaneous response of the US Government to the Indian request for ad hoc assistance to fight famine. The US Administration's prime concern was security perceived as part of its global interests and policy. The establishment of a Communist regime in China had added to the power and prestige of the Soviet (or Communist) bloc. The United States was already embroiled in a major trial of strength.

with the Communist bloc in Korea. It supported the French in their military operations against the Viet-Minh in Indo-China. India upheld non-alignment, did not belong to the Communist bloc and was trying to establish democratic institutions. Keeping India as part of the "Free World" and discouraging it from moving closer to the Communist bloc, were viewed as important objectives of US policy. Instability in India and a consequent weakening of the Nehru Government, which faced an internal challenge from Indian Communists, were regarded as undesirable developments with possible adverse implications for US interests. Even if there was no widespread famine, it was feared that economic conditions in India would certainly deteriorate without American assistance. Deterioration of economic conditions contained seeds of chaos and confusion, especially when Communists were already resorting to subversive practices in some parts of the country. The invasion of Tibet by China in 1950 had exposed the country to the prospect of external threat and was expected by US policy makers to make some impact in time on the Indian Government and public opinion. Provision of food aid, under such circumstances, would provide the United States an opportunity to extend its influence and thereby enhance the prospect of promoting an orientation towards West rather than towards the Communist bloc on the part of India.
goodness" and hardbargainers, but was a reflection of differing perceptions of national interests in helping India. Whereas the proponents saw the necessity of saving it from Communism and holding it in the "Free World", the opponents argued that India had shown itself to be undependable and unfriendly and moving towards the Communist bloc. Similarly, there was a difference of opinion regarding the possibilities of building bilateral relationships and extending influence through aid. The opponents had a cynical view based on experience of Marshall Plan in Europe, whereas the proponents entertained hopes of winning goodwill. Though humanitarianism was used to muster support, even the Church was fully aware of the relevance of enlightened self-interest. The opposition however, took the view that if India needed a favour from the United States, the latter should get something out of the transaction. As it happens invariably in such circumstances, various interested groups sought to utilise the opportunity to protect, promote or project their own special interests.

The linking of aid with political concessions unacceptable to India, produced considerable resentment. The Indian Government, backed by Parliament and by public opinion, had adopted a policy of self-sufficiency in foodgrains by 1952. The Indian economy had not recovered from the impact of World War II and partition when it confronted the worst food crisis after the Bengal famine of 1943. Two-thirds of the six million ten shortfall in foodgrains was sought to be met from out of its own exchange resources. If no aid was forthcoming for the
remaining two million tons, India could have probably used the Sterling balances for purchasing foodgrains. This would have, however, seriously impaired the development programmes in progress. The other alternative of reducing the overall import figure to four million tons would have resulted in rise of foodgrain prices and would have exerted an inflationary pressure. Breakdown of the rationing system for want of supplies would have caused hardship throughout the country, possible starvation in some pockets, and even deaths in the parts most severely affected.

Despite the fact that the assistance sought was badly needed, the Government of India had no intention of making any political concessions, either in domestic or international spheres. India was pursuing an independent foreign policy and its views on China, Korea and other areas were determined by its own perception of its national interests. There was no question of changing its policy to suit the donor's interests or views. Pressure to change such aspects of policy, as the embargo on fissionable material, was also unacceptable. A loan was preferred to an outright gift, as the latter in accordance with the practice followed by the United States (in terms of Economic Cooperation Act of 1948) involved the prospect of external intervention in the domestic sphere. The Economic Cooperation Administration would then have sent observers and had to be assured that distribution within the country was fair.

It appears that the Truman Administration was conscious of the sensitivities of the Indian Government and did not seek
to apply overt pressures on the latter. The demand for various
concessions emanated from Congressional opponents and there is
evidence to indicate that the executive branch incited the
former to postulate the demands. Even the contrary available
evidence indicates that the State Department tried to mollify
Congressional critics by providing answers to correct their
misapprehensions.

The favourable attitude of the Truman Administration,
as well as a majority in Congress, coupled with the firmness
and determination of the Government of India backed by strong
public opinion not to accept political conditions, resulted
in the eventual discomfort of opponents of the bill. The
controversy on the aid question was limited to Congress, the
media and some interest groups and even among these supporters
countered outnumbered opponents. The controversy did not damage inter-
governmental relations. Even the unsavoury remarks during
the controversy in the American Congress and press lost their
sting with the passage of time. While the Congressional delays
and criticism diminished the impact of the aid legislation
on the Indian mind, it is difficult to establish that the
episode strained Indo-US relations. On the contrary, the
positive impact of this aid cannot but be recognized, even
though the impact was not so permanent as then perceived in
the United States and to a lesser extent in India.111

and Secretary of State; US Congressional Record, n.20,
p.44010 from the statement of Mrs. V.L. Pandit, Indian
Ambassador to the United States of America.
Apart from the crucial help in relieving immediate difficulties, the imports of foodgrains by the loan given by the United States helped materially in reducing the food shortage. The prices of foodgrains as also the general price level declined sharply. This loan also accounted for a substantial portion of external assistance during the first five year plan. Out of the total committed aid of Rs 156 crores, US food loan alone amounted to Rs 90 crores. Even though this loan was given to purchase wheat only, it enabled release of foreign exchange resources, which would have otherwise been used for import of foodgrains. During the first five year plan, an annual foreign exchange deficit of Rs 180-200 crores, which represented the value of anticipated imports of 5 million tons of foodgrains, was stipulated. The food loan helped to reduce this deficit substantially in the initial two years of the plan. 112

The difficulties in obtaining loan on acceptable conditions, however, left no alternative to the Government of India but to pursue its policy of achieving self-sufficiency in foodgrains as expeditiously as possible. Topmost priority was, therefore, given to agriculture including irrigation and power, in the first five year plan. Simultaneously, the plan emphasised mobilisation of internal resources as against

112 India, Govt. of, Planning Commission, First Five Year Plan, Draft Outline (New Delhi, 1951), p.30; India, Govt. of, Planning Commission, First Five Year Plan (New Delhi, 1951), pp.62,77; India, Govt. of, Planning Commission, Progress of the Plan (New Delhi, 1952); p.3; India, Govt. of, Planning Commission, Papers Relating to the Formulation of Second Plan (New Delhi, 1955)
external aid for financing development.\textsuperscript{113}

The conditions of acceptability of aid were reviewed and incorporated in the first plan as follows:

...External assistance is acceptable only if it carries with it no conditions explicit or implicit, which might affect even remotely the country's ability to take an independent line in international affairs. \textsuperscript{114}

While it was categorically stated that no interference would be tolerated in pursuit of an independent foreign policy, the plan document did not define the tolerance limits of interference in administration.

\textsuperscript{113} \textit{First Five Year Plan}, n.112, pp.44,158, The Outlay on agriculture and community development, irrigation and power was about thirty-two per cent of the total outlay and forty-five per cent of investment on multi-purpose irrigation and power projects is added (ibid.,p.70); Jawahar Lal Nehru's speech in the Parliament on 18 November 1952 (Jawahar Lal Nehru, \textit{Selected Speeches: 1949-59}, p.79).

\textsuperscript{114} \textit{First Five Year Plan}, n.112, p.26.