CHAPTER IX
CHAPTER IX

UNITED STATES PRIVATE ASSISTANCE TO INDIA.

Private American assistance to India includes all kinds of non-Governmental aid to persons, private projects, institutions and Government of India. Such assistance however, comes from a wide variety of sources and it is difficult to find a single consolidated record of all these acts of private charity and public philanthropy. Here we like to analyse such economic assistance as available from American Companies, Foundations, Universities, Church authorities and such other philanthropic agencies.

The question of permitting foreign private capital in India is quite a matter of wide controversy. The dialogue between the controversialists—one favouring foreign private investment and the other challenging its feasibility—has to this day its strong supporters and opponents in the country. The issue has been more predominant for the reason of influencing Indian policy with respect to investment in industrial projects. It has strongly been felt, sometimes a little too unreasonably,
that the United States and the International Bank for Reconstruction and Development have pressed for basic changes in the Indian industrial policy as a compensation for larger capital aid for economic development. This point gets substantiated if a closer analysis is made of the "Bokaro-episode", when India finally thought it better to withdraw its request to the United States Government and the American Steel Corporation.

The inflow of foreign capital to India has been regular since the planning process started in 1951. The foreign exchange crisis dealt a severe blow on the country's economy during the Second Five Year Plan and it made foreign capital inflow more significant and it continued to plague the country. An effort will be made here to discuss the actual contributions of the United States private capital towards economic development of India.

It has earlier been discussed that the attitude of the United States Government towards the Indian economic problems and development had been rather unencouraging. President Truman, the real architect of the postwar American foreign policy, had pioneered the United States policy of economic and technical assistance towards the underdeveloped countries of the world. Truman's point four programme was the guideline, under which United States policy of economic relation with less develo-
ped countries for their economic development had been framed. So far as the official Indo-US economic relation was concerned, it had its regular beginning since the early years of 1950s.

Indo-US economic relation through private channels has a long history. The two countries had trade relation on account of food grains, cotton and jute in main and the Indo-US transaction also covered some other commodities, such as:

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<tr>
<th>Chief US, Imports from India (During the inter-war period)</th>
<th>Chief US, Exports to India</th>
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<tr>
<td>Jute and jute goods</td>
<td>Food stuffs</td>
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<td>Shellac and lac</td>
<td>Chemicals</td>
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<td>Cashew nuts</td>
<td>Machinery</td>
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<td>Tea</td>
<td>Tobacco</td>
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<td>Hides and skins</td>
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<td>Raw cotton</td>
<td>Petroleum and petroleum products</td>
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<td>Leather</td>
<td>Textiles and raw cotton</td>
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<td>Wool</td>
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<td>Mica and manganese</td>
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American businessmen did not find the Indian market profitable for their exports and therefore the Indo-US trade relation was sporadic. Earlier we have brought into discussion the story of private American
interests towards Indian food crises of 1897, 1899, 1942 and 1946. Generous food assistance and financial aid had been made towards India by a good number of private American organizations, churches and individuals.

**Genesis of the Growth of United States Private Assistance to India.**

The American corporate bodies have been investing their capital in India. More than 200 such companies have investment or licensing agreements with Indian companies. The United States accounting for about 25% of the total foreign investment in India is the second largest investor, following the United Kingdom with 60%. Between 1948 and 1960 the American private investment in India rose from Rs.112 million to Rs.820 million, a rise of 7.3 times. By April, 1971 the same is estimated at Rs.3500 million which is almost equal to 5% as against 95% of the United States Government aid to India.

The analysis clarifies one point pointedly, that is, the foreign capital has been coming far less than desired by the Government of India. During the Third Five Year Plan, India had a raw deal at the hands of private investors from the United States. The target of Rs.6850 million in the Fourth Five Year Plan seems only a realisation in print hoping against hope. The trends appear gradually to have been disappointing. This consequential trend is worth an analysis that would come latter.
The United States investors have to overcome in this country many a difficulty. The Stillman Mission (1964-65) ascribed the following major deterrents that the United States investors have to overcome and which become the major reasons for their shyness to invest here:

(a) approval techniques are too lengthy,
(b) control on production,
(c) obstacles of operational nature, like import, licensing etc. and
(d) techniques of marketing and distribution.

There is some truth in the above specific hurdles. It may specifically be agreed that the bureaucratic delays are more pronounced in Indian democracy as against that of the United States. The other three variables are given more publicity than is the actual fact existing. The products of United States Collaborated concerns are mostly consumer oriented. A situation such as this calls forth an unrestricted market and India continues to be a widening market for almost everything that is produced here. So the question of control of production obviously does not drive the point however. It would naturally be expected that the standard of products manufactured in India would normally compare well with those of the parent companies. So far as the third hurdle is concerned, the Government has to consider the same very carefully.
Import requirements remain heavy in the initial stage of economic development. It is recognised that the United States prices are 30 to 40 percent higher than that in the world market. Hence all the requirements, barring technical services, machinery and components, that could be met indigenously need not be imported from the United States. It may be conceded that there does happen to be some delay in the materialization of a contract with an American private authority. But that hardly justifies sketching a picture of Indian conditions where United States private investor is not welcome.

It would be pertinent to emphasize here the desire of the Government of India to welcome increasing United States capital allthroughout the last two decades, and also the factors relating to social milieu and environment that a foreigner looks to before coming:

(a) The issue of public vs. private enterprise in India is not a matter of policy, but a pragmatic necessity. Under a democratic setup, the taboo of Government getting in to business in all fields is only a theoretical possibility.

(b) There have been positive efforts to ease the machinery of licensing, import etc., and other time-consuming elements that frustrate a United States investor.
(c) Indian persons who understand the sophistications of business deals and are enlightened enough to go along smoothly with the foreigners have had collaboration agreements with American counterparts. Americans have had high impression on the Indian business community. H.H. Wattingham in 'International Commerce', April 26, 1965, remarked, "One of the most favourable factors in Indian investment climate is the high calibre of most Indian businessmen".

(d) Politically, past twenty years' history itself speaks of the risks that the U.S. investors are most scared of. There have been internal disruptions of a very minor nature but the foreign investors have hardly been subject to any onslaughts. The Government have honoured their commitments in all fairness. The Indian Government has honoured its obligations to permit dollar repatriation of dividends and capital and this should allay the fear of the foreign investors.

(e) The Government of India once again, has been not so rigid in the terms of participation by United States investors. A rule of 51 percent for the national Government and 49 percent for the foreign investor is prevailing. In many cases this rule has been waived in favour of the American investors. The latest case is that of fertilizer manufacturing.
(f) The rate of return over capital in India is also far higher than the American market provides. On an overall basis, it has been more than 20 percent after taxation. The Stillman Mission which visited India in 1964-65 also expressed their views in the same manner. Basing his observations on U.S. Department of Commerce data, Mathew, J.Kust pointed out, "Profits on American investments in manufacturing enterprises in India average as high as 20 percent after Indian taxes. This was higher than profitability on similar investments in Latin America and Europe". The following are the rates of return on capital in certain countries where American investors invest: Canada 8.5 percent, Europe 10.8 percent and Latin America 12.7 percent.

(g) The scheme of "Investment Guarantee Programme" administered by the United States Agency for International Development (USAID) to the U.S. investor is a sign that in all eventualities of expropriation the investor will have had his capital assets back. This is the soundest in risk insurance that one could provide to the United States investor.

Thus we have analysed the case of the significant role of the United States private investors in India's economic development since 1950-51. But the question of the inflow of foreign private capital is a matter of
of strong controversy in India.

However India is a country, where 'socialization' is not being resorted to right and left. The high margin of return to capital is still a factor of attraction for United States or any foreign investor. The final picture that emerges from the above analysis is: once having entered the Indian market, foreign investors usually have few regrets.

**American Companies Collaborating in Indian Industrial Projects**

India has good number of industries grown and developed as a result of foreign collaboration. Great Britain has been the largest collaborator in India followed by the United States of America. Many European countries such as West Germany, Switzerland, France and U.S. S.R. etc., and Japan and Canada are also collaborating in several industrial projects in India. The table given in the following page shows the position.

Great Britain is India's traditional collaborator. The Indo-US private collaboration programme was approved during the Second Five Year Plan period (1956-61). According to latest analysis nearly 200 American companies are collaborating in nearly 521 Indian industrial programmes and about 100 American firms have their branches in India. During the First Five Year Plan the recourse to foreign
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<td>U.K.</td>
<td>6</td>
<td>17</td>
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<td>52</td>
<td>120</td>
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<td>U.S.A.</td>
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<td>Japan</td>
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(Source: Eastern Economist Annual number 1968; and Economic Times June 1962)
collaboration was limited to an average of only 50 approvals a year. During this period Indian attitude towards foreign collaboration was not encouraging and therefore, foreign interests too were not much enthusiastic. On the other hand British capital still was dominant in the Indian investment market. Gradually our Government realized the need of encouraging foreign capital inflow and collaboration in a diversified manner. In the initial stage of planning there was an acute shortage of capital and technical know-how. The Planning Commission deeply realized that foreign capital and collaboration would to a great extend fill the serious gap. The Government during the Second Plan period granted a number of tax concessions favouring foreign enterprises and streamlined industrial licensing procedures to avoid delays in approvals of foreign collaboration.

The Stillman Mission, as referred earlier expressed that delay in approvals was responsible for the growing shyness of the American investors to invest and collaborate in Indian industrial fields. Government of India, however, made pragmatic attempts to attract foreign private collaboration. We have earlier discussed the same in the Chapter VII. Due to the liberal Government policy foreign private collaboration tended to increase through the successive Five Year Plans.
The Government of India has approved some strategic areas of Indian industry for foreign collaboration such as - machinery production, electrical machinery, transport equipments, medicines and pharmaceuticals, basic industrial chemicals, aluminium, iron and steel, cement, rubber, paper, silk, woolen, sugar, plantations, warehouse construction, glass wares, hotel construction etc., American private assistance has covered a wide range of such selected sectors of Indian manufacturing industry. The United States firms receive funds to invest in India, through the USAID, the Public Law 480 local currency proceeds under the provisions of the Cooley Amendment to the Public Law 480. Also the United States Export-Import Bank provides foreign exchange assistance towards such India-US collaborations to collect necessary components from the U.S.A. (vide Appendix for relevant data).

"Foreign collaboration falls into two main categories. The most common is technical collaboration, which comprises merely the transmission of technology to the new industrial undertaking in the form of licensing or transfer of patents and other industrial property rights, referred to generally as know-how, and technical services, such as design, engineering, procurement, training and technicians. The compensation of foreign enterprise under such technical collaboration is usually in the form of royalties and fees. There is, in such case, no equity
investment in cash (i.e., foreign exchange) or kind in the form of machinery and equipment. Patents, know-how, and technical services are exchanged more frequently today for equity for reasons that will be discussed later.

"The other category is characterized by equity participation in the form of cash or machinery and equipment in the new enterprise. Such collaboration is frequently broad, usually also including licensing and technical assistance calling for royalties and fees. Indian entrepreneurs and the Government, however, feel that, where there is substantial equity participation by foreign enterprise, the handsome returns afforded in India on such investment should be considered adequate compensation for the modern technology contributed to the project by the foreign investor. The licensing policies, therefore, take this into account."

"There has been some change in character of foreign collaboration over the past decade. In the mid 1950s when industrialization got underway, foreign enterprise ventured to India primarily with technical collaboration. In part, it was the result of the fact that Indian entrepreneurs did not yet encounter foreign exchange difficulties. These were the halcyon days when they could raise the rupee equity and draw on India's sterling balances for the foreign exchange needed to import machinery and
equipment. Hence, they were not eager for foreign investment. At the same time, foreign enterprise was not generally aware of the attractive investment prospects in India. The Government, furthermore, had not yet launched its campaign to attract foreign investment. Finally, foreign enterprise was still wedded to the old outlook on doing business abroad with either the wholly owned foreign subsidiary or the naked licensing and technical assistance agreement. It was not until toward the end of the decade that minority equity participation was gaining acceptance as the new pattern of doing business in the underdeveloped countries.

"The foreign exchange crisis of 1958 marked a change in foreign collaboration in India in two important ways:

First, foreign enterprise began to take equity participation more frequently to provide the foreign exchange for the import of the machinery and equipment needed by the project.

Second, more of the technical collaborators started to accept equity participation in lieu of royalties and fees. After 1958, Indian entrepreneurs were given provisional licenses that required them to secure part or all of the foreign exchange by way of foreign investment. Hence, Indian entrepreneurs had to negotiate more broadly for foreign collaboration. At the same time,
foreign enterprise grew familiar with both the good investment prospects and the necessity to adjust to the new pattern of doing business in all underdeveloped countries calling for a minority equity participation.

Finally, the Indian Government launched a campaign to attract foreign investment. It extended the AID Investment Guarantee Program to cover American private investment in India. It enacted a number of tax concessions favoring foreign enterprise. The licensing procedure was streamlined to avoid delays in approvals of foreign collaboration. It set up the Indian Investment Center in New Delhi with a branch office in New York to facilitate foreign collaboration. The net result was more equity participation by foreign enterprise in India during the past few years.

American Foundations have also played really commendable part in this direction, which needs discussion here.

**Foundations' Aid to Indian Economic Growth:**

The United States is a land of Foundations. A foundation is an instrument for spending private wealth for general public welfare. According to F. Emerson Andrews, "A foundation may be defined as a non-Governmental, non-profit organisation having a principal fund of its own, managed by its own trustees or directors and estab-
lished to maintain or aid social, educational, charitable, religious or other activities serving the common welfare".* According to Ann D. Walton,** there are more than 12,000 foundations in the United States of America. They are tax-exempt and are registered as legal entities and publicly account for the genesis, growth, distribution and the overall expenditure of their funds.

The big-ten foundations, in order of magnitude of their assets are:

(a) Ford Foundation (3.8 Billion dollars),
(b) Rockefeller foundation (650 Million dollars),
(c) Duke Foundation,
(d) Hartford Foundation,
(e) Carnegie Corporation, New York,
(f) Kellogg Foundation,
(g) Solan Foundation,
(h) Lily Endowment,
(i) Common Wealth Fund,
(j) Dan Forth Foundation.

The Ford and the Rockefeller Foundations have taken a serious and abiding interest in promoting India's economic and social welfare through generous grants to persons, projects, institutions and the Government of India in a wide variety of nation building activities. These foundations have two fundamental objectives:
(a) Long range objectives of strengthening the democratic process and fostering peace.
(b) More immediate objective of attacking problems of poverty, illiteracy, hunger and disease.

Ford Foundation:

The Ford Foundation, the world's richest, was set up in 1936, in New York by Henry Ford, an automobile manufacturer and his son Edsel Ford, as a private non-profit, tax-exempt, philanthropic corporation. Its sole objective is the advancement of human welfare. This objective is spelled out as the promotion of international understanding and world peace, the strengthening of democratic institutions and processes, the advancement of economic well-being, the expansion and improvement of education and the enlargement of scientific knowledge and understanding of man. Since 1950-51, it began to operate on a national scale and to-day its philanthropic activities embrace many needy and underdeveloped countries all over the world.

Early in 1951, Paul Hoffman, then President of the Ford Foundation, accepted the invitation of the Indian Prime Minister Jawaharlal Nehru to visit India and discuss ways in which the Foundation could help in India's development plans. Right from the beginning of the First Five Year Plan, the Ford Foundation has worked in close co-operation with the Government of India, the Government of the United States of America, the United Nations and with other international agencies for India's development.

During the first few years (1950s), the Foundation's programmes were concentrated entirely on agricultural development in India. Ford Foundation teams consisted of agricultural and technical experts visited India to suggest plans and programmes for agricultural development in India. Since the Second Five Year Plan, Foundation's programmes in India have expanded; it now includes community development, extension works, training and research, small scale industry, industrial design, development and research, business management, education, manpower mobilization, labour relations research, legal education and research, family planning, communication research and development and so forth.

The modus operandi of Foundation aid to India is simple and follows the procedure of most foundations.
Once the project and the budget are approved by mutual consideration, funds are transferred directly to the Government of India or in case they are for a private project to its administering body. Generally, the Government projects to be aided by the Foundation are planned and administered by the Government of India. At the initial stage of development of a certain project supported by the Foundation, the Foundation provides entire cost for the same and the Government gradually bears increased responsibility. So far two-thirds of the Foundation grants have gone to Government projects while a third has been given to private organisations. During the last twenty years, the Foundation has provided more than 70 million dollars to various Indian projects. It is not possible to list these projects here.

It is, however, worth noting here, that Foundation assistance programmes in India or any other less developed country cover such programmes which would promote qualitative development of the country's socio-economic structure. The very recent year's Foundation programmes in India are agricultural village extension work, rural health training, village level worker training, in-service training programme for rural development, public health education and environmental sanitation, village planning and rural housing, community development, small industrial
development, primary and secondary education, social science research, public administration and urban planning.

The Rockefeller Foundation:

John D. Rockefeller, Sr., founded this great philanthropic organisation in 1913, with a view to promoting the well being of mankind throughout the world. The Foundation, at the very outset, devoted itself to research and co-operation with the Governments in the control of diseases like malaria, hookworm and yellow-fever, development of public health organisations, and medical, public health and nursing education. After 1929 humanitarian programmes of the Foundation had largely been expanded. Currently its activities also cover areas such as, advancement of knowledge of medical science, natural sciences, agriculture, social sciences and humanities and international understanding.

The Rockefeller Foundation probably the first American Foundation to be keenly interested in the Indian affairs. Its association with India dates back to 1916, when the Foundation's public health experts collaborated with the International Health Commission in surveying the incidence of hookworm in India. Since 1920 there have always been Foundation representatives in India and since 1947 more number of experts and specialists in different
branches such as agriculture, irrigation, family planning, public health education etc., have been stationed in India to work in different parts of the country, collaborating with the Central and State Governments and other Indian agencies.

The Foundation has had a large amount of welfare services in many underdeveloped countries. It has always emphasized on the development of education, research and training and has sought to promote these objectives by supporting projects in higher education, food production and public health. The Foundation has provided fellowships to Indian scholars for study in American Universities in wide variety of related fields. Foundation's collaboration in Indian agricultural programmes is highly appreciable. The Foundation has been working under two phases of programmes—crop improvement and agricultural education. The Foundation has been working on the improvement of maize and sorghum thereby assisting in the current green revolution in India. On the educational side, it has contributed to the development of the Post-graduate school of the Indian Agricultural Research Institute, New Delhi. Some Foundation staff experts have served as consultants to the Institute, and some as visiting professors. The Foundation extends grants to the Institute for library development, extension of buildings and for travel and study
fellowships. Following are some of the specific examples of the Foundation's collaboration in India. These schemes include Indian programmes of public health, environmental sanitation and nutrition, medical education and research:

(1) Virus Research Centre - Poona
(2) Indian Council of Medical Research - New Delhi
(3) All India Institute of Medical Sciences - New Delhi
(4) All India Institute of Hygiene and Public Health - Calcutta
(5) King George Medical College - Lucknow
(6) G.S. Medical College - Bombay
(7) Christian Medical College - Vellore
(8) Andhra Medical College - Vishakapatnam
(9) M.P. Shah Medical College - Jamnagar
(10) National Chemical Laboratory - Poona
(11) Nutrition Research Laboratory - Hyderabad
(12) Indian Cancer Research Centre - Bombay

Since independence, the Foundation has so far provided grants to India to the extent nearly of 22 million dollars vivid account of which, however, cannot be furnished here.

Other Foundations like the Asia Foundation, the Watumull Foundation and many others are all along having
welfare activities in most of the underdeveloped regions of the world including India. Their assistance programmes towards India are of ad-hoc nature and hence usual data are not available*

**American Universities**

The United States of America is a seat of advanced learning and research. There are about 2500 institutions of higher learning in this country and of these 700 are junior colleges, 800 are undergraduate colleges and the rest can be roughly classified as colleges providing graduate instruction and universities granting Post-graduate and doctorate degrees for researches. There are roughly 100 universities within the scope of the internationally accepted definition of a university.

During the British era few Indian students had gone to the United States of America, because, the British Government in India did not recognise the American university degrees. Only since 1947 things gradually tended to change as a result of dynamic policies adopted by our

*The Watumull Foundation, a private non-profit American Philanthropic organisation was founded in 1942 in Honolulu by Sobindram J.Watumull, an Indian Sindhi businessman, who had become an American citizen. It has been working for sustained Indo-US good will and understanding to promote India’s overall development.*
national Government. This is the policy of any American university to offer liberal fellowships to overseas students to undergo studies. Indian students on their own can write to the universities, obtain study grants and proceed to the United States for advanced studies. Thousands of Indian students, aspiring for higher studies in science, technology, humanities, management, commerce, law and so forth have been assisted by many American Universities.

According to Indo-US Educational Exchange Programme, Indian students and scholars visit the American Universities and colleges and also American scholars and students visit Indian Universities and colleges. This exchange programme is of great importance in respect of promoting Indo-US relations. In the previous Chapter, we have brought under reference the number of United States Universities which have had some collaboration programmes with several Indian universities for the development of varied streams of education and research in India. About fifty American Universities are extending their assistance and co-operation to India.

American Church Organisation:

American Church Missions have long been committed to voluntary technical and humanitarian services to India.
Besides, establishing churches, these authorities have opened schools, clinics, health centres, medical colleges, hospitals, leprosy treatment centres, home for unwed mothers and unwanted children. They have offered training facilities to nurses and doctors, teachers, farmers and mechanics. More than seventy American Church organisations carry on missionary works in India. Mention may be made of Catholic Relief Service, Church World Service and Lutheran World Relief organisations. The work of the numerous Christian schools, colleges, medical college and hospitals founded under the auspices of American Church organisations is too well known and distinguished to need any detailed discussion. Such organisations have also undertaken many community services in co-operation with Indian organisations and Government departments in several States.

Rightly speaking, these organisations, established in India, working for the overall welfare of the Indian people cost them much. They run their activities out of their own funds and funds provided by the United States Agency for International Development (USAID). They also receive ad-hoc financial grants from Public Law 480 funds. Their services in India really are conducive to India's socio-economic development. After independence, India had endless problems of basic economic needs and for which the Government had very little financial resources to
organise such institutions like medical colleges and hospitals, and naturally the initiative taken by the American church organisations to promote these streams is creditable.

Assistance of other Private Organisations:

We already have brought to reference how different American private agencies have taken initiative and interest towards Indian problems. Even before India’s independence, the church authorities and other private agencies came forward to co-operate with Indian counterparts and Government in different Indian projects of socio-economic development. After independence, gradually these two countries came closer and closer and are working for each other’s mutual interests.

The interest of these American private organisations in India has its origin in diverse circumstances. An American visitor to India returns to his homeland impressed with the need for some assistance for a worthy Indian cause he has come to know about and sympathize with in India. Americans appear to have been greatly interested in sharing of their affluence just with people in need in other parts of the world.

Sometimes certain American private organisation is formed simply to extend help to India for a particular purpose. During the periods of Indian famines, (Ref.Ch.VI)
relief committees were formed. For example the Bengal Famine Relief Committee in New York in 1943 and the numerous Defend India Funds that were formed on many American campuses and in cities after the Chinese attack on India in 1962.

However, it is not at all desirable nor it is possible to have detailed discussion of such numerous private organisations offering assistance to India. We can have some discussion of the wellknown "Co-operative for American Relief Everywhere" (CARE) which has a network of socio-economic welfare programmes in India.

The Co-operative for American Relief Everywhere is a non-profit private organisation which assembles medical supplies, food commodities, textiles, educational equipments, etc., given by American individuals, groups and companies and distributes them abroad. Most CARE purchases are made from the United States Government, manufacturers, processors and so on, to ensure the lowest possible cost. The CARE supplies are admitted tax and dutyfree into foreign countries by contracts with each Government.

The first Indo-CARE agreement is known to have signed in 1950. Subsequently several agreements too were signed. Under such agreements the CARE supplies to India food and other materials through the Regional Directors
of Food in Calcutta, Bombay and Madras. The Government of India has to bear the port costs, storage and handling charges. Under an agreement in 1954, the CARE was responsible for purchasing, packing, shipping and distributing books and scientific equipments sent to India, under the India Wheat-Loan Educational Exchange Programme, which began in 1954 under the administration of the United States Information Service.

The CARE has earned reputation in India for its dedicated relief services in many occasions. Over and above its relief works in times of Indian famines and floods it provided relief to the refugees from Pakistan and Tibet. Since 1950 the CARE has provided India with about 20 million dollars worth of food and other relief materials. Since 1961 the major project of the CARE programme became the supply of food for the school lunch programmes in the southern Indian States. Nearly 4.5 million school children of this region have had free lunches. This lunch includes 44,000 tons of rice, flour, milk and oatmeal distributed during an academic year.

Further, special mention may be made of the work of the American Friends' Service Committee, which has rendered creditable services towards their Indian friends. Their community development services are found to have been in progress in Orissa. They have worked to improve agricul-
tural practices and have introduced new types of pumps, wells and building materials. Also they have programmes of training rural level workers, teachers and artisans for small industries.

Concluding the Chapter we may comment that contributions of these American private agencies towards the cause of India's social and economic welfare cannot be evaluated in monetary terms, but this is more important for their very nature of functioning. As a result, the people of these two countries have come closer and closer and such relationship would bring about mutual understanding.

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53 Dr. K.S.Sangha- "Imposing Statutory Limits on Investment Income" in Industrial and Engineering Annual, 1967-P 32


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(2) American History by Indian Historians Vol-II American Studies Research Centre-Hyderabad, 1969
(3) S. Chandrasekhar- American Aid and India's Economic Development, 1965

(4) Eastern Economist- Annual Numbers for several years.

(5) Five Year Plan Drafts- First to Fourth Plans.