

and buy food abroad. A large proportion of the aid programme for India is devoted to the solving of this food shortage.

The Indian Government asked us for 10 million dollars worth of wheat to help her famine condition. It was never contemplated that the Colombo Plan should be a food relief measure, but, nevertheless, how could we refuse our Commonwealth partners, suffering from a severe famine? And so we resorted to the device of the counterpart fund. We sent the wheat and India created a counterpart fund of approximately its equivalent value in rupees, some at least of which she will obtain by the sale of the wheat to her Indian distributors.

From the counterpart rupee fund thus created, with our consent and co-operation, she devoted those rupees to the further development of the Mayurakshi dam project in West Bengal. This project will irrigate 600,000 acres of land. It will hold the Mayurakshi river in control, and this river will not again rush down in flood, drowning the peasants and washing away their homes, as it has done periodically for hundreds of years. When the whole area is settled and the irrigation is completed, at least 400,000 tons of food will be produced, which, as you can see, will make quite a contribution towards cutting down the 5 million ton annual shortage.

Now if enough of such projects can be developed - and there are many others actually started or on the drawing boards - you can see how India is going about solving her food shortage.

India also asked us if we would lend our aid to another problem. The State of Bombay is a highly populated and very poor State. Its transport system has fallen into a dangerous state of decay. It is just as important in India to be able to distribute food when famine hits, as it is to have the food to distribute. It is also important that when you put people on the land, they should be able to get to local markets and exchange at least some part of what they grow, for the purchase of their normal needs.

All this was seriously disrupted in the State of Bombay. The Bombay Transport Commission had been brought into being under the control of some able Indians and a British general who had spent the whole of his life in Indian transport. But they were short of capital and could not buy the equipment that they needed to set up a proper transport system; and so, at the urgent request of the Government of India, we aided the State of Bombay and gave them \$5 million worth of up-to-date buses and trucks. A large proportion of these are now actually on their way to Bombay, and, when they are in operation, not only will the State of Bombay be better able to handle famine should it hit, but the normal life of the peasants and other poor people of the State will be greatly benefitted by these new transport facilities. Bombay is a great port, and ample transport facility is the life blood of any port.

Turning now to Pakistan, we run into a different kind of problem altogether. When nations split, disastrous things happen to their economies. When Germany was split in two, her industrial half and her agricultural half became separated. Exactly the same thing happened when