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THE WHITE HOUSE  
WASHINGTON

MEMORANDUM FOR THE PRESIDENT

FROM: ROY L. ASH

ON BEHALF OF: William Simon  
L. William Seidman  
Alan Greenspan  
William Eberle  
Brent Scowcroft

SUBJECT: Announcing an increase in P.L. 480 Food  
Aid at the World Food Conference

Under pressure from other countries and Senators Hatfield, Clark, and Humphrey, Secretary Butz has requested that you authorize the U.S. delegation to announce a one million ton increase in P.L. 480 food aid for this year. Pressure is building in the press for a favorable response.

Your instructions to the delegation as recommended by the Economic Policy Board ruled out any commitments to specific increases in food aid at the World Food Conference. This was consistent with your earlier decisions to increase the amount we spend on food aid, to defer final decision on total program size until later in the year, and to review levels on a quarter-by-quarter basis, in part because of uncertainties about:

(a) commodity situation. There was uncertainty about U.S. production, due to unassessed damage from early frost, and about export demand. The commodity situation is worse than expected. Frost damage has been serious and the Soviet grain purchases added additional pressures on supplies. There is no corn available for additional P.L. 480; the one million ton increment would have to come from wheat, where the supply situation is also tightening and prices have been rising.

(b) budget restraint. The proposed increase would add over \$200 million to 1975 budget outlays. If a decision were made to announce the increase, offsetting rescissions and deferrals would have to be found for the package being prepared for Congress.

The Question of Timing. The decision to delay your examination of the full year P.L. 480 levels until mid-December still seems appropriate. The information on crop conditions and especially on foreign commercial purchases should improve by then, giving us a better appreciation of commodity availabilities and potential effects of large shipments on domestic prices.

The Special Title II Problem. Press reports suggest that the one million ton increase proposed by Secretary Butz will be in the Title II food grant program (largely administered by the voluntary agencies), rather than the larger Title I credit sales program. If the proposed increase is applied only to Title II, it would raise the Title II grant program about 30 percent above the level in the high option for the full year which was presented to you earlier. It would also reverse our long term efforts to tighten up the less effective Title II grant program, and could divert food from higher foreign policy priorities under Title I.

Recommendation. That the Delegation not be authorized to commit the United States to an increase in P.L. 480 of one million tons at this time. The Delegation should be instructed to confine itself strictly to the language of Secretary Kissinger's speech which was your approved guidance.

"During this fiscal year, the United States will increase its food aid contribution, despite the adverse weather conditions which have affected our crops. The American people have a deep and enduring commitment to help feed the starving and the hungry. We will do everything humanly possible to assure that our future contribution will be responsive to the growing needs."

The Delegation could also state that the final level of food aid for 1975 is still under review within the U.S. Government.


Approve: RAF Disapprove: \_\_\_\_\_

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

CONFIDENTIAL

November 9, 1974

MEMORANDUM FOR: THE PRESIDENT  
FROM: DON RUMSFELD   
SUBJECT: Increased Food Aid Commitment

In the cable at Tab A, Secretary Butz asks that you authorize an increase of food aid in the amount of 1 million tons over FY 74. A formal recommendation on the Butz proposal will be coming to you separately, but I think it important to review the chronology of events on this issue in order to put it in perspective.

Secretary Kissinger had included in early drafts of his speech to the World Food Conference a pledge that the US would increase both the quantity and volume of food aid. The Economic Policy Board, which reviewed the speech on October 31, recommended against a commitment to increase the quantity of food aid and suggested that the language not go beyond your UN commitment to increase "spending" on food aid.

This and other comments on the speech were relayed to Kissinger, who accepted all recommended modifications in the speech except for two issues: the quantity of food aid and the matter of the size of the world food reserve we would recommend. You asked Scowcroft to convene a meeting of the relevant agencies on November 2 to discuss these remaining issues and present recommendations to you. If necessary, you indicated you would convene a meeting on Sunday, November 3, to resolve the issues. At the November 2 meeting, the food reserve issue was resolved, but all agencies (including Agriculture) except State and NSC were firmly opposed to pledging an increase in the quantity of food aid. The results of this meeting were cabled to you and, in response, you told Kissinger that he should "go as far as he can in language and commitment to support the concepts in which we believe, keeping in mind the difficult domestic circumstances we face at this critical moment." Following your guidance, Kissinger modified the speech language to read that "the US will increase its food aid contribution . . . . "

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DECLASSIFIED  
E.O. 12356, Sec. 3.4 (b)  
White House Guide Lines, Feb. 24, 1993  
By KE Date 5/20/88

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- 2 -

Based on reports of a Butz press conference on November 4 that the US would increase its food aid this year only from 900 million tons to 1 billion, I sent him a cable (Tab B) pointing out that he should adhere closely to the US position as embodied in the Kissinger address. Butz cabled back his concurrence.

In addition to yesterday's cable requesting a policy change on an issue which had been hammered out after sharp and extensive debate only a week ago, the fact that you had been asked to modify the US position was given to the New York Times, where it appears on the front page of today's paper.

Tab B is the  
cable I told you  
I had sent. -

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We should discuss this -  
Don -

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*KR 5/20/74*  
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NOODIS  
E.O. 11652: GDS  
TAGS: DCON, WFC  
SUBJECT: WORLD FOOD CONFERENCE - NOVEMBER 5-16, 1974  
WHITE HOUSE FOR PRESIDENT FORD  
SCOWCROFT PASS SECRETARY KISSINGER  
FROM SECRETARY BUTZ

1. INCREASINGLY CRITICAL NATURE OF FOOD SITUATION, ESPECIALLY IN SOUTH ASIA AS REVEALED IN TALKS HERE, LEADS US DELEGATION TO WFC (TREASURY ABSTAINING), STRONGLY SUPPORTED BY SENATORS HATFIELD, CLARK AND HUMPHREY TO URGE THAT CHAIRMAN OF US DELEGATION BE AUTHORIZED TO STATE THAT IN VIEW OF INCREASINGLY CRITICAL FOOD SITUATION IN A NUMBER OF COUNTRIES US WILL SHIP AT LEAST ONE MILLION MORE TONS OF FOOD UNDER ITS FOOD AID PROGRAM THIS YEAR THAN IT DID IN FY 74, BRINGING TOTAL TO MINIMUM OF 4.3 MILLION TONS.

2. I WOULD ALSO EXPRESS TO CONFERENCE OUR STRONG HOPE THAT US ACTION WOULD BE FOLLOWED BY OTHER DONORS OF FOOD AID AND COUNTRIES ABLE TO HELP FINANCE FOOD IMPORTS ON CONCESSIONAL TERMS.

3. SEPARATE MESSAGE COVERING TECHNICAL DETAILS FOLLOWS. VOLPE  
BT





ITEM WITHDRAWAL SHEET  
WITHDRAWAL ID 00920

Collection/Series/Folder ID No. .... : 004700212  
Reason for Withdrawal ..... : NS,National security restriction  
Type of Material ..... : CAB,Cable(s)  
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*Sanitized version attached*

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~~CONFIDENTIAL~~ [REDACTED] WH43143  
NOVEMBER 5, 1974

TO: SECRETARY BUTZ, ROME  
FROM: DON RUMSFELD, WHITE HOUSE

REPORTS RECEIVED HERE INDICATE THAT IN A PRESS CONFERENCE MONDAY EVENING YOU STATED, AMONG OTHER THINGS, THAT THE UNITED STATES WOULD INCREASE ITS FOOD AID THIS YEAR FROM \$900 MILLION TO \$1 BILLION.

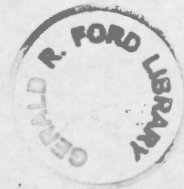
I AM ADVISED BY BRENT SCOWCROFT THAT THE UNITED STATES POSITION FOR THE WORLD FOOD CONFERENCE, WHICH WAS PRESENTED IN THE US ADDRESS TO THAT CONFERENCE, IS THE RESULT OF SUBSTANTIAL INTERAGENCY DISCUSSIONS, INCLUDING CONSIDERABLE PERSONAL INVOLVEMENT BY THE PRESIDENT. BECAUSE OF THE REPORTS WE HAVE RECEIVED, I WANTED YOU TO KNOW THAT THE PRESIDENT EXPECTS THE US DELEGATION TO ADHERE CLOSELY TO THAT POSITION.

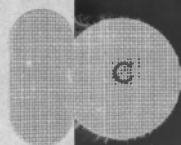
HAVE A GOOD TRIP.

WARM REGARDS.

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#6815  
NNNN

DECLASSIFIED *with portions*  
E.O. 12356, Sec. 3.4 (b) *redacted*  
White House Guide Lines, Feb. 24, 1983  
By KR NARS, Date 5/20/88





# U. S. MAY DOUBLE HUMANITARIAN AID TO HUNGRY LANDS

Americans at Food Parley  
Ask Ford's Permission  
to Make Plan Public

**BUTZ CONFIRMS MOVE**

Says World Famine Problem  
Can Be Solved Only by  
Nations With Plenty

By WILLIAM ROBBINS  
Special to The New York Times

ROME, Nov. 8.—The United States expects to double its food assistance to hungry nations for humanitarian purposes, increasing the total in that category from the present one million tons to two million tons a year, according to key members of the American delegation at the World Food Conference here.

The delegation cabled President Ford today for permission to declare the United States intention publicly.

The move was confirmed in an interview by Secretary of Agriculture Earl L. Butz, who has been meeting privately with top representatives of other nations on the urgent problem of aid to prevent famine, as well as on other subjects related to the conference.

## Way Has to Be Found

"If the immediate world hunger problem is going to be solved, it is going to be solved by the nations that have the grain—and some way has to be found to solve this critical problem," Dr. Butz said. "The grain has to be found in the United States, Canada, Argentina, Australia and the European Economic Community."

The delegation's cable to the President followed insistence by some members of the large Congressional group here, led by Senator Dick Clark, Democrat of Iowa, that some such move should be made.

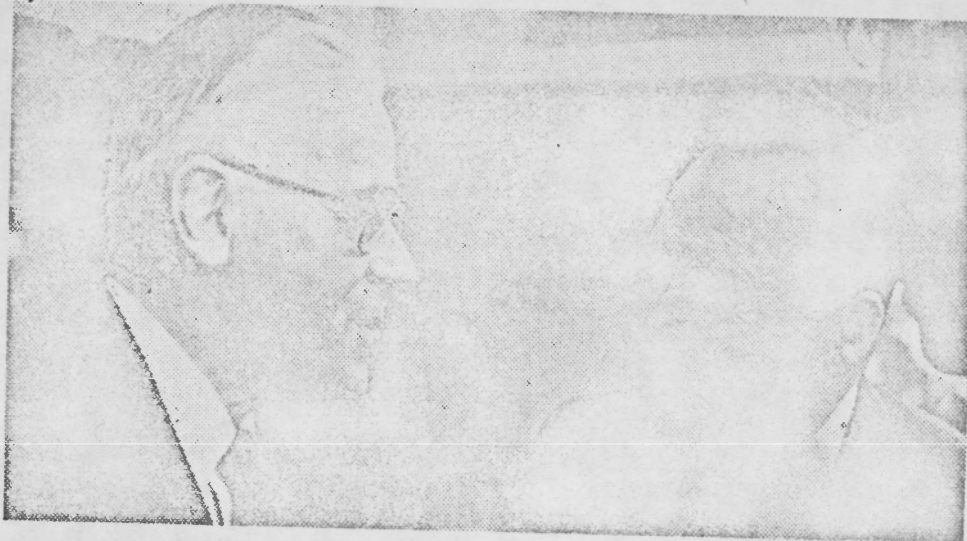
The United Nations Food and Agriculture Organization estimates that South Asia and the sub-Sahara region of Africa face a grain shortage in the next year of seven million to 11 million tons.

## Canadian Wheat a Possibility

A member of the American delegation disclosed today that a possible new source of food aid to ease that shortage had been identified at a meeting of the grain-producing nations. It is Canadian wheat—possibly as much as three million tons.

Senator Clark had proposed at a delegation meeting last night, according to sources who were present, that United States food aid for humanitarian purposes be increased from a budget level of \$175-million to \$350-million, enough to

Continued on Page 6, Column 3



Associated Press

Agriculture Secretary Earl L. Butz, left, conferring with Reuven Eiland of Israel at the World Food Conference. Dr. Butz held a series of private conferences.

## U.S. May Double Humanitarian Aid

Continued From Page 1, Col. 8

provide approximately a million tons of grain. Secretary Kissinger had offered a budget-increase figure of \$50-million.

Authority for such aid as grants is contained in Public Law 480, which provides for the so-called food for peace program. The same law provides for other food aid in the form of long-term credits, which accounts for the largest part of the food assistance volume.

"We're probably going to ship that much more anyway," Dr. Butz said, referring to the proposed increase. He acknowledged that the whole food-aid program was now running at a rate 1.5 million tons above the 3.3 million provided last year, but he said there was no assurance it would continue all year at the same rate.

"But then again, we don't say it won't," he said.

One delegation source said that it was not hard to persuade Dr. Butz to support the request to Mr. Ford.

"It's what he [Dr. Butz] has really wanted to do all along," the source said. "The question whether we make the increase public seemed academic. Our food aid is actually running at a rate of 1.5 million tons over last year, anyway."

Another official here had said that the Administration was making decisions on a quarter-by-quarter basis and intended to refrain from volume projections because of possible impact on grain prices.

But previous refusal of the United States to disclose specifics of its proposed food aid had threatened to detract from the list of proposals made by Secretary of State Kissinger in a speech here Tuesday, the opening day of the conference, for long-range measures to help food-short developing nations.

Delegation sources said that the aid increase would be in both grants and long-term credits.

A second private meeting of leading grain-producing countries, called by Dr. Butz, included representatives of Australia, Canada and the European Economic Community, or Common Market, besides the United States. The participants from the other countries were not identified, but they were said to be high-level officials.

The meeting was held yesterday afternoon, following a meeting of delegates from the same countries and other exporters and major importers, called by A. H. Boerma, director general of the Food and Agricultural Organization.

At yesterday's meeting, as

in a private session Tuesday, the subject was how to reserve enough of the world's short grain supply to meet the needs of the so-called "M.S.A.'s"—the most-seriously affected nations, whose food deficit was estimated at seven to 11 million tons.

### Some Clarifications Reported

On this question, the delegates generally were said to have pleaded that they would have to await instructions from home, but some clarifications of their grain positions were said to have emerged.

The Canadian representative reportedly said that early snow and frosts had cut his country's wheat harvest to the extent that Canada was left with substantially less than the 11 million tons of wheat she had hoped to export.

But the delegate said that Canada had been left with three million tons of wheat damaged by early snow and frost and thus unfit for milling. But observers noted that such wheat, while unacceptable to buyers from developed countries who had contracted for high-quality grain, was suitable for chapattis, the flat wheat cakes popular in India, the country that has been hardest hit by food shortages.

The principal problem, the observers said, was how to finance aid shipments of this grain.



### Australia A Possibility

The Common Market was said to have 6.5 million tons of wheat for export, most of it committed. Australia was said to have reported that all her wheat crop was committed. Her delegate said, however, that he would ask whether some commitments might be released.

The United States has about 28 million tons of wheat for export. All but about seven million tons of it is already committed to foreign buyers. Of the seven million most is said to be "morally committed" to countries such as Japan that have agreed to exercise restraint and to space out their purchases.

But the United States is convinced that many sales contracts on the books will never be executed, delegation sources said.

Secretary Butz, emphasizing the importance of the opportunities he has had here for contacts with top food officials of other countries, said that he had discussed the commitment volume with Pierre Lardinois, Agriculture Minister of the Common Market, and Joseph Ertl, Agricultural Minister of West Germany.

He said both had promised

to discuss the matters with their importers and try to shrink the volume booked.

The United States is trying to get many of the Hungry countries to accept rice, of which the United States has a record crop, in the preferential-sales portion of food aid, but despite easy credit, many of those countries consider the rice too expensive.

Mr. Boerman said in an interview that he had received no reaction thus far to his request to the major exporters and importers to find ways to reserve grain for the needy. He had proposed a total of 10 million tons.

"I just want to make sure that we don't come up to the end of the year without supplies and have people wringing their hands and saying 'I'm sorry but we've run out of grain,' while we watch millions of people starve—on television," he said.

"I told them, 'I don't know whether you can bear the responsibility for determining who is going to live and who's going to die.'"

### Soviet Speech Is Bland

In other developments today, the Soviet Union made its official statement to the conference in a speech notably devoid of anticapitalist rhetoric, although it blamed much of the present food problem on other "social and economic structures" and cited its own agricultural progress since the Bolshevik revolution of 1917.

The Soviet chief of delegation, Nikolai N. Rodionov, who is a Deputy Foreign minister, promised: "We will make constructive contributions to any solutions and to progressive actions."

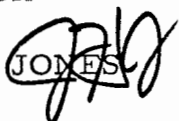
But Mr. Rodionov said he saw no need for pessimism. He said that Soviet specialists contended that the world had enough land to feed 40 billion people, more than 10 times its present population.

THE WHITE HOUSE

WASHINGTON

November 12, 1974

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: ROY L. ASH  
FROM: JERRY H. JONES   
SUBJECT: Announcing an Increase in P. L. 480  
Food Aid at the World Food Conference

Your memorandum to the President on the above subject has been reviewed and your recommendation was approved.

Please follow-up with the appropriate action.

Thank you.

cc: Don Rumsfeld