

WORLD BANK UNIT SAYS PAKISTAN AID IS POINTLESS NOW

**Holds War Has So Ravaged
East That Development
Work Must Be Delayed**

VAST FOOD FLOW URGED

**Restoration of Civilian Rule
Is Viewed as Only Path to
Return to Normalcy**

*Excerpts from the report
are printed on Page 8.*

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Special to The New York Times

WASHINGTON, July 12—A special World Bank mission has concluded that East Pakistan has been so ravaged by the West Pakistani military crackdown that new international development efforts "will have to remain in a state of suspension for at least the next year or so."

The mission's report, which has been obtained by The New York Times, is based on visits to East Pakistan between May 30 and June 11 to assess the effects of the central Government's suppression of the Bengali separatist movement.

The report also recommended massive food shipments to prevent starvation as a result of the disruption of transportation and agricultural production in the rice-growing province.

Return to Civilian Rule Urged

According to the mission of the International Bank for Reconstruction and Development, as the World Bank is formally known, East Pakistan is most unlikely to return to normal "until there is a drastic reduction in the visibility—and, preferably, even the presence" of the West Pakistani military and the re-establishment of civilian administration.

Authoritative bank officials said that this represented, in effect, a recommendation by the mission that additional international economic assistance to Pakistan be withheld pending a "political accommodation" between President Agha Mohammad Yahya Khan and the East Pakistani insurgents.

They said the mission took the view, endorsed by Robert S. McNamara, the World Bank president, that until a normal situation is restored in East Pakistan through civilian rule there will be no conditions under which economic aid can be usefully absorbed.

Diversion Feared

The view taken by high World Bank officials is reported to be that the Pakistani Government would divert funds originally earmarked for the eastern province to bolster the western economy, which has also suffered seriously. That view has also been taken by Britain and Canada, but the United States, despite its public urgings of a political accommodation, refuses to deny economic assistance.

On the basis of the 10,000-word report the World Bank recommended June 21 against new assistance to the Govern-

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ment of President Yahya by an 11-nation consortium aiding Pakistan.

No Improvement Seen

The mission, which was headed by a Briton, I. P. M. Cargill, director of the World Bank's South Asia department, emphasized that there were no signs that "normality is being approached or that matters are even moving in that direction" or that "the situation will improve significantly or rapidly."

It said that the two most formidable constraints that must be removed are "the general sense of fear and lack of confidence on the part of most of the population" and "the complete dislocation of the communications system."

"Perhaps most important of all," the report added, "people fear to venture forth and as a result, commerce has virtually ceased and economic activity generally is at a very low ebb."

"There is also no question that punitive measures by the military are continuing, as considered necessary by the martial-law administration; and whether directed at the general populace or at particular elements, these have the effect of fostering fear among the population at large."

"Insurgent activity is continuing" the mission found, and "this is not only disruptive in itself, but also often leads to massive army retaliation."

"In short, the general atmosphere remains very tense and anything but conducive to the resumption of normal activities in the province as a whole," the report said.

Since the army crackdown began March 25, at least 200,000 people, many of them Hindus, are reported to have been killed and in excess of

2.5 million people have become refugees in India.

Because of the controversial and politically delicate character of the report—the United States, for example, holds that international assistance to the Pakistani Government should be maintained—its contents have been kept secret.

Action by McNamara

On Saturday Robert S. McNamara the bank's president, authorized its distribution on a confidential basis to the institution's 21 executive directors and alternates, which made it available to the United States Government through the United States executive director, Robert E. Wiczorowski.

An eyewitness account of the situation in the western section of East Pakistan, written by Hendrik van der Heijden, an economist and mission member, described the town of Kushtia as looking "like a World War II German town having undergone strategic bombing attacks" as a result of 12 days of "punitive action" undertaken by the West Pakistani Army.

Mr. van der Heijden reported that "90 per cent of the houses, shops, banks and other buildings were totally destroyed" and that the population "was down from 40,000 to 5,000."

"Kushtia, as someone told me, is the Mylai of the West Pakistani Army," he wrote. "There was only one reaction: to confirm that impression."

He reported that in Jessore, another East Pakistani town, some 20,000 people were killed and the city center was destroyed. "Virtually all economic activity has come to a halt," he added.

"Generally, the army terrorizes the population, particularly aiming at the Hindus and suspected members of the Awami League," Mr. van der Heijden said. The Awami League, which was East Pakistan's dominant political

party, was banned when the military action began.

In the farm community of Khulna, the World Bank official wrote, "agriculture was in a shambles, the people demoralized."

Mr. van der Heijden noted that on the level of the farm communities, known as Thana, "the shock waves of the army action hit the hardest; it was at this level where the hope for agricultural development was." The hope has been set back by at least five years, he added.

"It is doubtful whether any government can effectively deal with these people in the near future," he said of the communities' residents.

The over-all report, drawn from accounts by mission members who toured East Pakistan, described the disruption of economic and social activity and said:

"The situation is very far indeed from normal; nor are there any signs that normality is being approached or that matters are even moving in that direction."

United States officials were unable to say whether the visits to India and Pakistan last week by Henry A. Kissinger, the White House special assistant for national security affairs, would result in a change in policy. That includes the honoring of export licenses for military equipment issued before March 25.

As far as can be ascertained, the Nixon Administration believes that East Pakistan's inability to resume normal economic development should not deter the international community from maintaining high levels of aid to the central Government. The Administration has asked Congress to authorize \$118.3-million in economic aid for the current fiscal year.