

# heard IN WASHINGTON . . .

## AFME and the CIA

Two New York Congressmen, Democrats Benjamin S. Rosenthal and William F. Ryan, last week charged that the CIA "undermines the Administration policy of friendship toward Israel by secretly funding AFME . . . an anti-Israel organization."

They cited last Friday's *New York Times* disclosure that the American Friends of the Middle East (AFME) has received CIA funds through foundation conduits.

The Congressmen urged the Administration to "terminate the CIA's funding of all domestic organizations" and to establish "a watchdog committee composed of seven members of the Senate and seven members of the House" to oversee CIA operations.

According to the *Times*, AFME received two grants in 1964—one for \$20,000, the other for \$15,000—from the J. Frederick Brown Foundation.

Today, the paper revealed that AFME had also received funds from the Hobby Foundation of Houston—an admitted CIA conduit. Hobby's tax returns list the following grants to AFME: \$50,000 in 1963; \$75,000 in 1964; \$50,000 in 1965.

This is not the first time that AFME has been named as a recipient of CIA funds. In the summer of 1963, Bushrod Howard, a registered agent for the Yemeni royalists, told the Senate Foreign Relations Committee that the U.S. Government had put \$4 million into an "anti-Israel organization." Howard reportedly elaborated on his charges at a closed session of the House Foreign Affairs Committee on July 11. The Department of State, in a memorandum to the Senate Committee, wrote: "There is no factual basis for Mr. Howard's charge that U.S. officials support an anti-Israel organization."

In the July 16, 1963 issue, the *Near East Report* quoted Howard and said:

"There is only one well-financed anti-Israel organization in the United States and so last Friday, the *Near East Report* put the question directly to an AFME official who frankly confirmed that AFME had been receiving some U.S. funds for its student counselling, screening and placement programs. How much he could not say."

The *Report* revealed that AFME's expenditures in the 12-month period ending Sept. 30, 1962 were \$1,189,678—more than double the amount the organization had spent in 1958 and five or six times its expenditures in the early 1950s.

On May 9, 1966, Robert G. Sherrill wrote in the *Nation* that Group Research, Inc., a private Washington organization, had uncovered some \$100,000 channeled into AFME by the CIA. Sherrill wrote that while the amounts "are minuscule when compared to the \$4 million rumor . . . at least they help fill out the history of the fund channeling and put the State Department's demurrer in a questionable light."

Sherrill also cited the *Near East Report*, which in its special supplement on Arab propaganda, in October 1964, named the Dearborn Foundation of Chicago and the San Jacinto Foundation of Houston as AFME's principal supporters. Founded in 1952, Dearborn reportedly gave AFME some \$1 million between 1952 and 1956. After 1956, AFME annual reports no longer refer to Dearborn. The *Near East Report* noted that Bushrod Howard, then in the employ of Socony Mobil, had disclosed that ARAMCO officials were told that Dearborn was a CIA front. And San Jacinto was one of the foundations named by the press last week as a CIA conduit.

Congressmen Rosenthal and Ryan stated that "AFME's anti-Israel record is clear." They pointed to the statement by AFME's former Middle East director Elmo Hutchison calling Israel "fascist, intolerant, aggressive, defiant, expansionist" and to the fact that AFME helped create and still advises the Organization of Arab Students which, they said, "actively campaigns on over 100 U.S. campuses against American support for Israel."

## New Aid Program

Last week the White House submitted the smallest foreign aid request since the program began: \$3.1 billion for each of the next two fiscal years.

This is \$260 million less than the President asked for last year but almost \$200 million more than Congress then approved.

The new figure does not include \$242 million in military items which were transferred to the Defense budget. Neither does it include a \$1.7 billion request for Food-for-Peace.

Anticipating Congressional eagerness to slash the aid figure, Johnson warned that his recommendations "represent the minimum contribution to mutual security and international development which we can safely make."

He observed that some Americans "have grown weary of the long hard struggle to bring the majority of the world's population out of the shadows of poverty and ignorance."

But, he said, "nothing could be more shortsighted and self-defeating. This country—the wealthiest in human history—can well afford to devote less than seven-tenths of one percent of its national income to reduce the chances of future Viet Nams."

The President's request continues to emphasize economic assistance. It is allocated as follows: \$195 million for Africa; \$246 million for Latin America; \$758 million for the Near East and South Asia (of which 91 percent will go to India, Pakistan and Turkey); \$812 million for East Asia.

The Near East and South Asia, Johnson said, "provides the harshest test of free institutions. . . ."

"Nowhere else in the free world are there so many people: as many as the combined populations of North and South America and Western Europe.

"Nowhere else do so many people live in such dire poverty: per capita income for nine out of every ten persons is under \$100 per year.

"Nowhere else are there divisive forces so poised to take advantage of any misstep."

The President listed three major principles to guide the program: self-help, multilateralism and regionalism.

No country failing to mobilize its own resources as efficiently as possible will receive our aid. And he proposed a national advisory committee to ascertain whether recipients are "extending their best efforts."

At least 85 percent of development loans will be in a regional or multilateral framework.