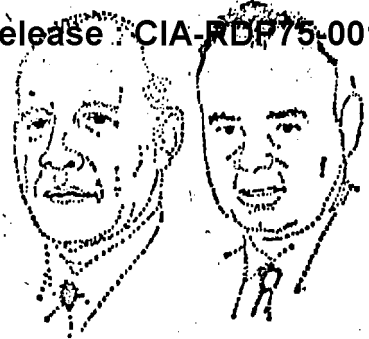


Sanitized - Approved For Release CIA-RDP75-00149R000200920001-1 ALLEN-SCOTT REPORT

Inside Washington

By ROBERT S. ALLEN and PAUL SCOTT



Aid Head to Quit

WASHINGTON — Inner Johnson cabinet circles are buzzing with a provocative report about Foreign Aid Administrator David Bell.

Reputedly, he is quitting soon to join the Ford Foundation.

According to one version of this back-stage report, 46-year-old Bell will succeed Henry Heald, 61, who is quitting as president of the giant foundation at the end of this year. He has held this position since 1956.

Bell has filled high offices in the Truman, Kennedy and Johnson regimes. From 1949 to 1953, he was administrative assistant to President Truman. In 1960, President-elect Kennedy named him budget director, and two years later shifted him to the multi-billion dollar foreign aid agency, where he has been since. If Bell does leave, he will be the latest in a long succession of foreign aid directors. His three-year tenure establishes an endurance record.

Some of his numerous predecessors stayed only a matter of months.

This disruptive factor and the frequent changing of the agency's status title were caustically condemned in a 1960 report of the Senate Appropriations Committee—which branded them as "detrimental to operations."

Based on a study by Sen. Gale McGee, D-Wyo., the report declared:

"To the detriment of the operation, the administrators of the successive aid agencies have changed oftener than the name of the agency. There have been nine administrators in the past ten years.

"The government organizations which carried out the foreign assistance programs were borne of emergency and went through frequent reorganizations, consolidations, changes in name, changes in leadership. Within this period, the principal aid agency has been known as the ECA, TCA, MSA, FOA, ICA, and finally AID."

As Ford Foundation president, Heald has been paid \$75,000 a year plus expenses. In addition, he receives \$5,000 as a trustee.

Tall and quiet spoken, Bell is a World War II Marine veteran. From 1953 until named budget director, in late 1960 he was with the Harvard Graduate School of Public Administration, rising to assistant dean.

While President Johnson apparently faces the early likelihood of finding a new foreign aid administrator, he is also confronted with the even more tortuous problem of what to do about the widely-assailed and battered huge spending program itself.

The recent Congress, while voting \$3.28 billion for more military and economic aid strictly enjoined the administration to submit a new plan and concept next year.

For this purpose, the President has named a "general advisory committee" to study the various foreign assistance programs and submit recommendations. This committee, headed by Dr. James Perkins, president of Cornell University, has been conferring with congressional and other authorities.

Among those consulted was Sen. Wayne Morse, D-Ore., a leading critic of the current aid program.

Members of the special presidential committee include Eugene Black, former head of the World Bank; Gen. Alfred Gruenther, ex-head of the American Red Cross; Sol Linowitz, a board chairman, Xerox Corporation; AFL-CIO President George Meany; David Rockefeller, president, Chase Manhattan Bank; Dr. Franklin Murphy, chancellor, University of California at Los Angeles; Dr. Samuel Nabrit, president, Texas Southern University; Dwayne Andreas, chairman, executive committee National City Bank of Minneapolis.

Sen. William Fulbright, D-Ark., chairman of the Foreign Relations Committee, has also

launched a backstage inquiry to obtain suggestions and ideas to improve the "effectiveness" of foreign aid spending.

In this effort, Fulbright is seeking the views of "selective business organizations with overseas operations, academic organizations, retired American ambassadors" and the correspondents of U.S. newspapers and press associations that maintain staffs abroad.

To assist them in formulating their views, Fulbright lists "four specific issues . . . of fundamental importance in determining what kind of an aid program, if any, would best serve the interests of the United States." He detailed them as follows:

"At the present time, there are AID or Food for Peace programs in about 80 foreign countries. The AID administrator . . . has noted that 95 per cent of aid goes to only 31 countries. . . Is it in the national interest of the U.S. to have foreign aid programs (or an AID presence) in as many developing countries as possible? If so, why? If not, why not? If there is no generally applicable principle, then what are the criteria which should be applied in determining whether there should be an aid program in any country?"

"A related issue is: whether the aid program should make a distinction (and if so, how?) among political purposes, humanitarian purposes, and economic development purposes. . . If economic development does not necessarily serve the political purposes of the U.S., are there ways in which those purposes can be served more effectively?"

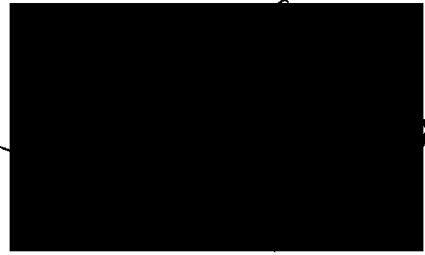
"Assuming that development assistance is needed for a given state which follows policies not antithetical to the U.S., are U.S. interests best served by channeling aid to such countries directly, or are they best served by channeling aid through institu-

tions such as the World Bank, the International Development Association? . . . Would U.S. interests better be served by a policy which would direct an increasing proportion of U.S. aid through multilateral channels, and if so, why? If not, why not?

President Johnson's prolonged stay at his Texas ranch is holding up the formal accreditation of three new ambassadors — Ernst Lemberger of Austria; Farhan Shubilat of Jordan, and Ade Martins of Nigeria. Under diplomatic procedure they are not officially accredited as the Washington representatives of their countries until they present their papers to the President in person. Until then, they are titularly only "ambassador designate."

The President has suggested they present their credentials to Secretary Rusk but the three envoys are balking at that and insisting on making their official bows to the President in person — which means they have quite a wait ahead of them. . . Soviet experts of the State Department are convinced Russia will not buy any grain in the U.S., despite a poor wheat crop. The Soviet will do its buying from other countries. However, its satellites are free to make up their grain shortages with purchases in this country. East Germany already has done that, and others are expected to do likewise. Russia's wheat harvest is estimated around 100 million metric tons compared to 120 million last year. So far, Moscow has bought 7.5 million tons of wheat from Canada and other western countries.

NOTE: The boxed portions of this article did not appear in the 15 November issue of the NORTHERN VIRGINIA SUN.



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