

For editing

[Feb. 5, 1964]

TV TRANSCRIPT

Announcer:

~~BOB CORP:~~ This is Washington and this is Senator Hubert H. Humphrey, the Assistant Majority Leader of the Senate reporting to the people of his State. Today, he has a very distinguished guest, the Honorable David E. Bell, the Administrator for the Foreign Aid program. And now, here is Senator Humphrey.

SENATOR HUMPHREY: Well, ladies and gentlemen. My guest today is one of the most talked about and one of the best liked men in Washington. He gets plenty of criticism, but he also has people that think he's doing a tremendous job and I'm one of them. My guest is David Bell, a man who has one of the most thankless and yet one of the most important jobs in our government. And I might add, it's also one of the most challenging jobs in our government. He is presently the head of the Agency of International Development. That's the long way of saying the AID agency or the foreign aid program. This agency has responsibilities in many parts of the world and it takes a big man to fulfill those responsibilities. Mr. Bell, before he became the Director of AID, was the Director of the Bureau of the Budget, the President's right arm in the field of administration. He had that position for two years under President Kennedy. And then our late and beloved President selected Mr. Bell to head up the foreign aid program, knowing that we need^{ed} a good administrator and one who understood foreign economics and foreign aid as a program and as a challenge.

Mr. Bell had been in Pakistan for four years under the Ford Foundation Program. He was a professor at the Harvard Graduate School for Public Administration. So he comes with a long record of public service. I'm not going to spend any more time introducing our guest; I want to get right down to asking him some questions because as you know, the foreign aid program has been under attack. There have been items in your press and on radio and television telling you that the foreign aid program is now undergoing careful re-examination and structural reorganization. Maybe we can find out from Mr. Bell what he has in mind or what other people have in mind for him. He's had to even to listen to me as to what I've had in mind. / Mr. Bell, let me be the devil's advocate on this program for a moment. We hear about troubles in Zanzibar and all through Africa and Panama and Viet Nam, and we've poured millions and millions of dollars into these countries. How come foreign aid hasn't been more successful? How come you haven't been able to settle some of these problems where these trouble spots are?

MR. BELL: Senator, foreign aid should not be and I don't think it ever has been sold as the answer to all of the world's troubles. The United States programs of economic and military aid to people in countries that are trying to help themselves obtain or retain their independence and fight off communist attack, beat and overcome the conditions of poverty and ill health that their people face, programs of that kind can be extremely valuable to the interest of the United States in the development of a peaceful and constructive world. But foreign

aid will never solve all the troubles in the world. And
 nobody should kid himself about that. [#]SENATOR HUMPHREY: You're saying, in
 other words, that foreign aid ~~HAS~~ a limited function to
 perform.

MR. BELL: Yes.

SENATOR HUMPHREY: But a ~~the~~ vital one.

MR. BELL: Exactly,

SENATOR HUMPHREY: It's a part of our total national security
 structure or foreign policy structure. Is that a good way
 of putting it?

MR. BELL: Yes sir, it's a major instrument of ~~our-our~~
 United States foreign policy. It can be extremely constructive
 in many situations around the world, but it should not be assumed
 that it will answer all the world's troubles.

SENATOR HUMPHREY: And it consists of economic aid in terms
 of loans mostly, is that correct? ~~Yes~~

MR. BELL: We make a great many loans, provide capital
 assistance in the form of loans. Many of them are very low
 interest.

SENATOR HUMPHREY: Are they repayable?

MR. BELL: Yes, ~~the~~ all the ones we make today are repayable
 and in dollars. They may carry a very low rate of interest.
 In addition, a very important part of our foreign aid program
 consists of supplying American technicians. Many of them
 from Minnesota who go abroad and help the people in the
 underdeveloped countries solve their problems for themselves.

SENATOR HUMPHREY: Is this what we call technical assistance?

MR. BELL: That's right. We may help them set up an agricultural

extension service. We may help them improve the teaching in their schools. We may help them meet a health problem that they have. American technicians working overseas, ~~out~~ out in the field in many cases, sort of senior Peace Corps. This is a major part of our business.

SENATOR HUMPHREY: Then there's the military assistance program that comes along with this to some of our allies and to ^{where we} countries ~~who~~ are attempting to promote internal security.

MR. BELL: That's right. Now that is actually run by the Defense Department and not by my agency.

SENATOR HUMPHREY: But, it's included in the so-called price tag of the foreign aid bill and it's about a third of the total of the foreign aid, ~~isn't~~ isn't it?

MR. BELL: That's right.

SENATOR HUMPHREY: Then we would add to that the Peace Corps, and the Food for Peace program and many of our health programs overseas. These are not always directly tagged or labeled foreign aid, but they are still a part, are they not, of our ^{3/}overall foreign economic assistance.

MR. BELL: Yes, they are, Senator. One of the advances that we've made in the last two or three years ¹ I think that it's a major advance ¹ is that we now concentrate our attention on each country where we are trying to be of assistance and we work out a program which selects from all of the American resources, whether it may be military equipment or loans or technical assistance or whatever it may be, and put together a program that will be the most economical for the United States and the most helpful to that country. So that our program in Korea, for example, is entirely different from our program in Chile. Our program in

in Viet Nam is one thing; our program in India or Nigeria is quite a different thing. It is fitted to the local situation and is intended to be the most economical and the most effective that we can devise.

SENATOR HUMPHREY: So you have a country-by-country type of approach.

MR. BELL: Yes, it is.

SENATOR HUMPHREY: And as I recall, we also have countrywide plans.

MR. BELL: We believe that each of these countries, if it is to make the most rapid progress ~~is~~ that is conceivable under the circumstances, should assess its resources, should assess its priorities (they can't do everything at once) and lay out a development program for themselves which states specific objectives and how ~~is~~ they're going to get there, what resources of their own they're going to mobilize and against that kind of a local plan we can put in our resources so that they will be multiplied many times and have the maximum effect.

SENATOR HUMPHREY: And Mr. Bell, isn't ~~it~~ it true, too, that in many of these countries that we have insisted upon certain basic fiscal and governmental reforms to really protect the integrity ~~of the~~ or the honest administration of our dollars.

MR. BELL: Yes, we have learned since World War II when the United States first began large-scale programs of military and economic ~~aid~~ aid that the essential ingredient to a successful program is not what we do but what the country does for itself, and therefore today we explicitly and clearly insist on self-help measures by the countries we want to help. If they're not prepared to help themselves, then our assistance

is withheld.

SENATOR HUMPHREY: What ~~is~~[?] about the Alliance for Progress? I know that under the terms for the Alliance for Progress or the Charter of Punta del Este ~~(S)~~ where this was all planned and charted, do we not insist on certain reforms there and how do you evaluate the Alliance for Progress now? Are you happy ~~is~~[?] with it ~~is~~[?] are you pleased?

MR. BELL: Let me answer both questions. The first is yes, we do expect that the Latin American countries will undertake matters of self-help including raising taxes frequently, better distribution of their land in some cases, undertaking budget reforms, educational reforms. We expect them to do what they can for themselves.

SENATOR HUMPHREY: Are they doing it?

MR. BELL: Some of them are; some of them aren't ~~/~~. In a number of countries, I think anyone who want and visited the country and saw all the change in recent years would be very pleased. I, myself, have visited some of the Latin American countries and there is no question about it, that you find a spirit of devotion to economic and social progress for the people of those countries which you didn't find a few years back. However, it's also necessary to recognize we should not look at these situations through ~~the~~ rose-colored glasses, that a number of these countries have not ~~dose~~^N all they could for themselves and in those cases our assistance program is necessarily smaller than they would like to have, smaller than we would like to put in. We're prepared to do more when they do more for themselves.

SENATOR HUMPHREY: Well to put it into the vernacular of the simplest terms, I gather that you don't just dish ~~it~~ it out just because somebody wants it.

MR. BELL: ²no, sir.

SENATOR HUMPHREY: You have some criteria, you have standards that have to be fulfilled?

MR. BELL: Exactly, and that's what we mean by a partnership contract. As they move forward, we are prepared to move forward right along with them. ~~SENATOR HUMPHREY:~~ Are you calling upon the private enterprise section of our economy to do more in this foreign aid program?

MR. BELL: This is a major change which is under way. We are working with ^{not only} American business but other elements of American private society--coops, labor unions, farm organizations, universities. We have arrangements under which we help those private elements of our nation contribute to the progress in the underdeveloped countries and we use them and draw on them as we work abroad. For example, we help to guarantee American business in underdeveloped countries. We contract with American universities or American cooperative societies to send people abroad and do this technical assistance work that we were speaking of. And we are seeking, as a matter of fact, ^{in response to your urging} partly ~~into your sp ???~~ Senator, to enlarge greatly the extent to which we use American private resources to help in this great task of ~~try~~ trying to build a strong and growing and stable ^{society} ~~society~~.

in Latin America and Africa and in Asia.

SENATOR HUMPHREY: There's been the charge made that this money is just spent willy-nilly around the world and it does little good to us at home at all. Now I read someplace that a rather sizable portion of the foreign aid dollar that we loan abroad which is repayable in interest actually is spent right here in the United States. Is that true?

MR. BELL: Yes, it is, Senator. Under ~~reg~~ regulations which are now in effect, and have been in effect, indeed, beginning in 1960, we require that the dollars which we make available to other countries to help them be spent for American goods and services. So that really our aid consists of the provision ~~of~~ not of dollars which they spend where they want them but of American goods and services.

SENATOR HUMPHREY: So it's kind of aid for home too.

MR. BELL: Yes, however, I want to be sure that we don't mislead anybody. We're not conducting a foreign aid program for the benefit of these American supplies. ^{RS}

SENATOR HUMPHREY: No, because aid, for example, ^{helps} ~~on~~ the American steel industry, and the American food industry.

MR. BELL: Yes, indeed. And some of the figures are very impressive, for example, one third of the fertilizer exported from the United States last year was under the foreign aid program. ^{Twenty percent} ~~20%~~ of the steel and similar figures. It does, in fact, mean large markets for American sellers.

SENATOR HUMPHREY: Well, we have only a few seconds left.

You really are doing some reorganization on the program. Is that right?

MR. BELL: Yes, sir, we do. We are tightening it up substantially in an administrative sense. And ...

SENATOR HUMPHREY: When is your new plan going to, the new message, the President's message, go into effect?

MR BELL: Well, I ~~1~~ would hope within a couple of weeks.

The President, of course, determines that, I don't.

SENATOR HUMPHREY: Any surprises in it? ~~MR. BELL:~~ I'm not sure yet.

SENATOR HUMPHREY: Ladies and gentlemen, we were very honored to have had David Bell, the Administrator of the Agency for International Development. That is our foreign aid program on this program with us. If you're interested in learning a little more about foreign aid, I suggest that you write to your Congressman or your Senators from Minnesota, Senator McCarthy and myself, we'll try to give you objective information. In the meantime, foreign aid continues to be a part of our national security. I think it's necessary. Thank you very much, Mr. Bell

MR. BELL: It was a great pleasure.

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My guest today is David Bell,
a man who has one of the most
thankless jobs in government but
also one of the most challenging.

He is the head of the Agency for

International Development - AID as

they spell out the initials here in

Washington. This is the agency that

administers our foreign aid program.

*Pakistan Cyn
Fund/Foundation*

Mr. Bell was director of the

Bureau of the Budget for two years

*Harvard
Grad School
of Pub Ad*

before he took over at AID last

year at the personal request of the

late President Kennedy.

This request was one of the highest compliments our late President could have made because I know he considered this post and the foreign aid program one of the most important in our government.

Mr. Bell brings to this job
an outstanding record as an administrator
and an excellent record of public
service going back to the time when
he served on President Truman's staff
in the White House.

As you folks may recall, the foreign aid program came under severe attack from Congress during last year's session.

And it's one of the sad ironies of this often confusing town that the AID program should come under its heaviest attack at a time when the agency is enjoying its most efficient administration.



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