



## Ford Foundation to Continue Aid To Needy Nations for a Decade

The Ford Foundation, after reviewing its \$50-million-a-year assistance program to the poorer countries of the world, has decided to continue its developmental efforts in the next decade.

At the same time, the foundation, the largest private eleemosynary organization based on a family fortune, has disclosed that its diversified portfolio of stocks, bonds and real estate notes has grown to \$3.28-billion. In its most recent fiscal year, the portfolio earned a return of 18.1 per cent on stocks, well above the average return in most broad stock indices.

### Cites a U.S. "Retreat"

McGeorge Bundy, president of the foundation, said yesterday in making public its annual report that "we found no major geographic region that we should turn away from and no major present program concerns in which there was not more enough need and opportunity to engage us effectively."

The foundation's contributions are of increasing importance, Mr. Bundy said, because of what he called "our Government's retreat from development assistance."

"Indeed," he added, "if the case for help is as compelling as we think, then the very fact that the Government decided to do less becomes one reason the more for us not to give it up."

The foundation head acknowl-

edged that a single private effort, even as large as that of his organization, could not begin to compensate for Washington's reduction in foreign aid.

"We cannot begin to compensate in dollar levels for what government does not do; even at the relatively low point of 1971, the Washington effort was sixty times as big as ours," the foundation's president said. "But to the degree that need is made more acute by limits on official assistance, the case for our own kind of help is strengthened."

He said that the foundation expects that in 1975, the United States would be spending less than a quarter of 1 per cent of its gross national product, or the total value of goods and services, on assistance to developing countries. "We shall be doing less than half as much, proportionately, as France or Canada or Belgium or the Netherlands or Sweden," he said.

Mr. Bundy said that the foundation's international assistance program which accounted for about a quarter of the \$218.5-million that the foundation spent last year, was based on the belief that "the modern world is trying to make the worth of all human beings not an empty piety but an effective guide to action."

Despite talk of gaps between rich and poor nations, he said, underdeveloped countries have increased their per-capita in-

come "at a faster rate than we or the Europeans countries ever achieved."

In his report Mr. Bundy stressed that the foundation would play a more modest role in dealing with poor nations, and that rather than depend on "imported experts," it would "support local institutions which are steadily more able to provide their own experts and chart their own courses."

In an essay accompanying the foundation's report, Mitchell Sviridoff, former Human Resources Administrator of New York City and now vice president of the foundation's national affairs division, outlined plans for funding of community Development Corporations. Those will receive \$75-million additional over the next five years, he wrote.

The local development corporations, Mr. Sviridoff wrote, "give priority to concrete results rather than protests and advocacy."

"They usually seek primarily to increase jobs and income, to improve housing, and to secure both services from local government, business and utilities," he added.

There are some areas," he noted, that "have deteriorated to a point beyond the reach of resources and techniques presently available from any combination of public and private programs."

The foundation reported that it dispensed \$6.6-million less in 1972 than it did in 1971, largely because of adverse economic developments.

### Report on Stocks

total return of 18.1 per cent on its diversified portfolio of stocks in its most recent fiscal year.

By comparison, the total return on Standard & Poor's 500-stock index was 15.5 per cent, and it was only 11 per cent for the 30 issues in the less comprehensive but more popular Dow Jones industrial average. Total return is the investment income from dividends plus capital gains or losses, whether realized or not.

During the fiscal year ended

Sept. 30, 1972, the total portfolio—including bonds and real estate notes—grew from \$3.26-billion to \$3.28-billion.

### 3.3% Rate of Inflation

With a 3.3 per cent rate of inflation during the foundation's fiscal year, the real total return was 14.3 per cent on its equity portfolio.

At the end of its fiscal year, the Ford Foundation's equity portfolio amounted to approximately \$1.9-billion in market value, and it held about \$239-million of marketable bonds.

The total return on the foundation's bond holdings was 10.2 per cent, which compares with 8.8 per cent for an average of S. & P. corporate bonds.

The foundation's holdings of Ford Motor Company stock were reduced by almost 7 million shares during the year to 11 million shares with market value of \$733-million as of last Sept. 30. Some of the stock was exchanged with other foundations.