

FORD AD

SHIFT IN STRATEGY BY ADMINISTRATION ON AID IS REPORTED

Officials Say President and
Kissinger Seek to Curb
Lobbying for New Bill

FORD'S POWER INVOLVED
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Move Against Amendments
Restricting His Scope in
Foreign Affairs Cited
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WASHINGTON, Sept. 29 — Administration officials said today that President Ford and Secretary of State Kissinger ordered various Government agencies late last week to stop lobbying for a new foreign aid bill, in an effort to block amendments that would restrict Presidential freedom of action in foreign affairs.

Rather than trying for a new bill, the officials said, the Administration sought to extend foreign-aid spending by means of a continuing resolution, which is based on last year's legislation. This strategy, however, caused problems both for countries that were not included in the bill last year and for American agencies with commitments for stepped-up programs in the new bill.

The continuing resolution, passed by Congress last June, runs out tomorrow.

Food Program Would Lose

Herman F. Eilts, the United States Ambassador in Cairo, called Mr. Kissinger last week that the new strategy was "a blow between the eyes" for the Egyptians and that it would leave President Anwar el-Sadat in a "highly embarrassing and conceivably dangerous position."

The Administration had requested as part of the new aid bill, \$250-million in assistance for Egypt, for clearing the Suez Canal, restoring cities along the canal and helping Egyptian trade. Egypt would not qualify for that aid under last year's bill.

The Agency for International Development has also expressed unhappiness about the new strategy, since it would mean about \$200-million less in programs to help nations increase food production.

The Administration had asked for about \$255-million in additional aid for food and

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STRATEGY SHIFT ON AID REPORTED

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nutrition in the new bill, and the Senate Foreign Relations Committee had approved \$200-million.

President Ford and Mr. Kissinger thus face two problems: If they simply press for a continuation of the old bill, they will lose out on new air commitments to Egypt, and food programs; if they support a new bill, they will have to accept some restrictions on their own freedom of maneuver.

Just supporting continuance of the old bill would give them more dollars and more flexibility for countries like South Vietnam, Cambodia, South Korea, Turkey and Chile, but greatly reduced flexibility and dollars for their new Middle East "peace package" for Egypt, Syria, Jordan, and Israel. Under existing legislation, only Jordan and Israel could continue to receive aid.

That is the problem that Ambassador Eilts cited when the State Department informed him of the new strategy early last week. The New York Times obtained a copy of Mr. Eilts's reply of last Wednesday.

Rationale Is Asked

He began by asking for a "rationale" for the new strategy, and continued: "But there is no doubt that it will be regarded here as a blow between the eyes. Egyptians have long been awaiting Congressional action on the much-touted \$250-million for Egypt."

In its cable to him, the State Department said that "we fully intend to follow through with all commitments we have undertaken in the Middle East."

Mr. Eilts cable back: "Any such assurance is likely to be regarded as vacuous. Sadat will find it extremely difficult to explain domestically and to his Arab and other foreign critics. He will be placed in highly embarrassing and conceivably dangerous position. So far as we are aware, Egypt is the only total loser from continuing-res-

olution procedure, since Israel and Jordan will at least continue to get something. Syria, so far as we are aware, was never publicly promised anything."

'Soviets Will Crow'

His cable added: "Soviets and their East European allies will crow, 'We told you so.' And, of course, what do we do with all of our joint working parties [with Egypt]? They cannot live by talk alone."

The Ambassador then asked if the new strategy meant that Egypt would have to wait for the new fiscal year, beginning next July, "or is it conceivable that, since there seems to be considerable Congressional sentiment favoring aid for Egypt, an attempt might be made to attach rider to some other bill, which would then provide the promised \$250-million for Egypt?"

It could not be learned what reply he received from the State Department or what Mr. Kissinger was planning to do about the extra aid for food and nutrition.

"No final decisions have been made," a high Administration official said today. "We're just waiting to see what the mood of the Congress will be after the November elections."

Confrontation Seen Today

The first confrontation is expected tomorrow when the Senate is to vote on a resolution to continue funding based on last year's aid bill. Both the resolution passed by the House of Representatives last week and the resolution proposed by the Senate Appropriations Committee call for a \$2.5-billion ceiling on foreign-aid spending.

There are two important differences in the resolutions. As passed by the House, the ceiling for grant military aid is set at \$800-million, and as recommended by the Senate committee, the ceiling would be \$450-million. The House resolution contains \$250-million for Cambodia and \$100-million for Laos, not included in the Senate version.

Key Senators and Representatives have acknowledged that they did not know that a continuing resolution, passed by the House and the Senate last June to run until tomorrow, contained an extra \$350-million

for Indochina. In other words, the Administration has been giving military aid to Cambodia and Laos based on last year's legislative authority even though both the House and the Senate Committees have indicated that they favor deep cuts for these countries in the new bill.

Differences on Turkey

The second difference between the House and Senate versions has to do with Turkey. The House version would cut off military aid to Turkey until "substantial progress" was achieved toward a Cyprus peace settlement. In much

weaker language drafted by the State Department, the Senate resolution asks that aid be suspended unless the President certifies that Turkey "is making good-faith efforts" to reach a settlement. That would merely require Mr. Ford to stipulate what he and Mr. Kissinger have already been telling Congress—that progress is being made.

The Senate Foreign Relations Committee has acted to tie the President's hands in making exceptions to the foreign-aid laws when he deemed it in the national interest, to restrict his authority to transfer funds from one country to another, to curtail his use of existing

and surplus American military stocks for additional aid and to set specific over-all limits on aid to nations like South Vietnam, Cambodia and South Korea.

These amendments to the Administration bill received wide support on the Senate committee and some are supported by majority in the House committee.

Fighting For Time

In these circumstances, officials explained, the Administration is in the position either of backing an unacceptably amended new bill, in order to meet new commitments, or fighting for time.