

OEO Chief Forced Out

Washington

The White House yesterday demanded the resignation of Alvin J. Arnett as director of the Office of Economic Opportunity, the beleaguered command post of the remnants of the war on poverty.

In a telephone interview, Arnett said:

"They have asked for a resignation; I will deliver it tomorrow."

Arnett said the resignation, to become effective July 31, was requested in a meeting at the White House with presidential counselor Dean Burch.

Arnett, who succeeded Howard Phillips a year ago as head of OEO, said that about a month ago, "I was told the President does not want OEO. Rightly or wrongly you have been accused of attempting to preserve the programs."

"If the accusation is that I have attempted to preserve those programs, I plead guilty," Arnett told an interviewer.

A former head of the Appalachian Regional Commission, Arnett has lobbied in Congress for passage of a pending bill that would preserve OEO as an independent agency. The agency, created as the command post of President Lyndon B. Johnson's war on poverty, will be ten years old in August.

President Nixon has re-

fused to request funds for OEO in his budget.

The agency currently is operating on a continuing resolution that maintains its financing until September 30 at a level comparable to its last appropriation, which was \$330 million for the entire year.

Many OEO programs have been transferred to other agencies and departments, but federal support for the often controversial Community Action Program would

end with closure of OEO.

Pending now in the Senate is a bill to transfer Community Action to the Department of Health, Education and Welfare.

A similar bill passed the House last May 29 by a vote of 331 to 53.

Arnett said the White House was stunned by the margin and the bipartisan support for preserving Community Action.

He said his lobbying for that bill apparently was a

factor in White House displeasure.

U.S. District Judge William B. Jones ruled in April, 1973, that the President had acted illegally in ordering the closure of OEO without seeking consent of Congress. Jones also ruled later that Phillips was serving illegally as acting OEO director.

The White House complied with Jones' order and halted its efforts to dismantle the agency, but Mr. Nixon refused to ask for any new



AP Wirephoto

ALVIN J. ARNETT
Resignation demanded

funds, a move designed to have it die for lack of money.

Associated Press