PHASEOUT OF AID FINANCING COULD SAVE U.S.

BALANCE-OF-PAYMENTS DOLLARS

Much progress has been made in Korea along these lines where the AID mission assists the country in obtaining military equipment excesses that are taken over on an "as is" condition and repairs are made in its own shops using its own resources.

This program, which has been underway for some time, makes questionable the need for a large AID-financed repair facility at Inchon, Korea. Examination of the situation in other countries might well disclose numerous other opportunities for a phaseout of AID financing and the possibility of saving very substantial amounts of appropriated funds with a resulting saving in the U.S. balance of payments.

Senator Gruening. Thank you very much, Mr. Lippman. This is obviously the result of very careful research, and it is a very fine career lasting approximately a united of a century, governg training as Assistant Director of the Division of Territories and Island Possessions. He had a high position in the Bureau of Indian Affairs and for the last 6 years he has served as a very effective

Governor of Samoa.

Mr. Lee, we welcome you to your new responsibilities, which will be somewhat different from those you have had and perhaps a little more arduous, as you will soon discover. I wish you every success in this new undertaking.

STATEMENT OF H. REX LEE, ASSISTANT ADMINISTRATOR, AGENCY FOR INTERNATIONAL DEVELOPMENT, ACCOMPANIED BY ROBERT W. HERDER, DEPUTY ASSISTANT ADMINISTRATOR FOR ADMINISTRATION; JOHN F. OWENS, DEPUTY DIRECTOR, OFFICE OF PROCUREMENT; JEROME J. JACOBSON, ASSISTANT GENERAL COUNSEL; TAYLOR GREENFIELD, DIRECTOR, OFFICE OF LOGISTICS, EAST ASIA BUREAU; ROBERT L. CROWNOVER, VIETNAM MISSION; HOWARD HAWES, KOREA MISSION; CARSON CROCKER FORMER CHIEF EXCESS PROPERTY REGIONAL OFFICE