

It goes on to say—and I particularly call to your attention this fact—that the nature and amount of such assistance is to be dependent on demonstrated need and adequate self-help within the recipient countries.

Now, for fiscal year 1968, the President proposes to ask for obligatory authority of an additional \$100 million. As you heard yesterday from the Secretary, from the contingency fund which would be added to the figure which is already being asked for in new appropriations, \$543 million, to bring the total to \$643 million in 1968.

For the 4 years thereafter—and again dependent upon the proper performance by the Latin American countries themselves in these areas of education, agriculture and health—we would expect to come back and ask for \$200 million per year for those 4 years to be earmarked for those specific purposes.

That totals \$900 million for education and agriculture. Congress has already established authorization for \$750 million per year under the Alliance for Progress for the years 1968 and 1969.

Therefore, the total figure for 1969 of \$543 million, plus the additional \$200 million for 1969, would come within the \$750 million authorization previously approved for 1969.

Now, that is how we come to the \$1.5 billion; and just one further word, sir. Why didn't we put this figure in the resolution? Why didn't we spell out these precise figures?

I think the simplest way to say it is that what we have had in mind in these projections is to put before you outside figures with reference to these three items. We do not at this moment believe that they are precise enough so that we properly can ask for authorizations. A good deal or most of the validity of these figures will depend on what the Latin American countries do themselves.

We do expect to come back to you each year and to make our case and to ask for authorization, and appropriation, but we did think it was important to come here and ask Congress to convey its sense of cooperation with the President as he goes to Punta del Este. We would hope that would assure the President of that sense of cooperation and support, and it was with this in mind that we presented the resolution as we have and why the figures have not been inserted in the resolution.

Thank you, Mr. Chairman.

Chairman MORGAN. Thank you, Mr. Ambassador.

Mr. Ambassador, from the figures as you read them, I have the impression that about three-fifths of this extra money is to go to basic bread and butter projects such as agriculture, health, and education.

Ambassador LINOWITZ. That is right, sir.

Chairman MORGAN. And about a third of it would go to assist in the formation of a common market.

Ambassador LINOWITZ. Well, sir, of the \$1.5 billion, the outside figure we have in mind, \$900 million would go for education, agriculture, and health, and a total of \$600 million would be available for the two other objectives.

Chairman MORGAN. The two other objectives?

Ambassador LINOWITZ. Yes.

Chairman MORGAN. Thank you, Mr. Ambassador. I recognize the importance of this resolution and I hope that the Congress and this