timing of payments and disbursements depend in part on the actions of other governments. Once paid, U.S. contributions would remain with the Asian Bank as revolving funds, but the United States will insist on the right of recovery of its proportionate share of the assets of special funds should the operation of such funds be terminated. It is an objective that the other countries also make their funds available on a similar revolving fund basis. It is expected that the authorized funds would be appropriated over a 4-year period. The actual schedule on which appropriations will be requested, however, will depend on the pace at which discussions now under way in Asia move forward, and other contributors pledge their fair share. No budget expenditures are contemplated in fiscal year 1968.

V. Conclusion

The National Advisory Council has carefully examined the proposal that the United States make available $200 million for U.S. participation in multilaterally shared special funds under administration of the Asian Development Bank. Such funds would support important new initiatives now being taken by the Asian countries themselves toward regional economic cooperation. U.S. interests in Asia are served by all steps that promote peaceful development in that region and that bring the nations there into closer and more harmonious contact. Asian Development Bank special funds would, therefore, serve our interests and deserve our support. Being on a multilateral basis, they further the principle that the burden of financing development should be spread among the economically advanced countries. The availability of special funds to the Asian Bank will enhance the stature of that institution as a broad-spectrum facility capable of assisting in regional and national programs of development now being pursued in Asia. The specific mechanisms for making U.S. funds available have been closely examined and the Council is satisfied that the United States is fully protected from adverse balance-of-payments consequences. In the light of all these considerations, the Council strongly recommends the adoption of the necessary legislation to permit U.S. participation of $200 million in special funds under the administration of the Asian Development Bank.