

Now, there are a number of other countries in the Bank besides Southeast Asian countries, but we are saying we want this used primarily for the Southeast Asian countries.

Some of the other countries may come along and say they would like to have theirs for some other specific area.

For example, the Japanese said they are interested primarily in agriculture, and they were the originator of this conference on agriculture, and they may say they would like to have their money used primarily for agriculture.

Mr. GONZALEZ. I had been aware of Japan doing that. I did not know if that was advisable or inadvisable. And I just wondered if we had, and I think, of course, that it is wise that we should want to be concentrating in Southeast Asia.

I also am very gratified to see that there is hope and that the creative and the hopeful are still with us and not the despairing and the pessimistic.

I think it is a very good thing that you are proposing because it is looking forward to the creative at a day and time when the destructive forces have been eliminated, particularly in Southeast Asia, and it may help to militate against those who ascribe to the United States nothing but the worst of motives.

So I compliment you on that.

The minority leader brought out this question of the balance of payments and I noticed that both in the Advisory Committee's report, as well as in the bill itself, this question is anticipated.

I think it will be one of the big issues if and when this bill gets on the floor. And what I was going to ask is essentially this:

Other than the general phraseology in the bill itself, would you consider it advisable to specify restrictions or narrow the conditions under which this money could be utilized in order to avoid any imbalance or adding to the imbalance?

Mr. BLACK. Well, if you are talking to me personally, I am not in favor of tied loans. I have never been in favor of them and I spent years and years in the World Bank trying to persuade other countries not to tie any money.

On the other hand, I have to recognize the balance-of-payments problem, and this has been set up to meet that problem.

But as far as my philosophy is concerned, I am against tied money.

Mr. GONZALEZ. And, of course, as the report and your statement stated, these special funds are really being realistically advanced, in view of the real conditions you have to meet, but in order to maintain the reputation and the credit of the Bank, your regular funding will still have to be hard?

Mr. BLACK. That is correct.

Mr. GONZALEZ. Well, thank you very much, and good luck as far as one member is concerned. I am for you.

Mr. BLACK. Thank you, sir.

Mr. REUSS. Before I recognize Mr. Stanton, on the point pursued by Mr. Widnall and Mr. Gonzalez of the relative costs of the proposed U.S. contribution to the special fund of the Asian Development Bank and relative costs of our military activities in Southeast Asia, I think, Mr. Barr, you testified that the expenditure impact for the next 18 months of this special fund aid program would be on the order of \$25 million.