

Mr. LINDER. It is. But may I point out there has been a great deal of legislative committee history made on our existing statutory authority both before this committee and the Senate committee and also in both Houses. I have come before this committee many times over a period of more than 7 years, and have made clear what our philosophy of lending is and especially with respect to the degree of risk we feel prudent to take in particular countries. For example, if we are going to lend a total of \$50 million to India, which we decided was the maximum exposure we could properly afford and if we believed that an aluminum plant, a satellite station, and a fertilizer plant had very high priority for financing, but the Indians still wanted six planes, we could not cover all these requests within our total exposure limit. Thus we would be faced with the choice of which to finance and possibly letting the Russians or the British take those planes.

Mr. ASHLEY. That choice has not been imposed upon you by the Congress in section 2(b) of the act, because what the act says and what the Congress has said is that loans, so far as possible, and in the judgment of the board shall offer reasonable assurance of repayment.

So if you want to complain about the criteria of the Bank, it seems to me that you are pointing a finger at yourself.

Mr. LINDER. I am not complaining, Mr. Ashley. I want to maintain that standard. I feel very strongly that if the Bank is not to be called another aid organization, as some people have at times thought they could call it, which I do not think is justified, it must maintain that kind of standard. There must be a clear kind of demarcation. I recognize perfectly well that we could have gone right ahead and done all of these things. But if I had done all these things and if that judgment and exposure in India had gone beyond the line of reasonable assurance of repayment, I then would have had either a very, very bad conscience, or I would have been breaking the law.

Mr. ASHLEY. On the contrary, you would not have been breaking the law because the law specifically says as "so far as possible," consistent with carrying out the purpose of this subsection.

Mr. LINDER. I am sure you would not suggest that we should get ourselves into a position where we have disproportionate amounts in various places. Should we do so, then I would not think we are carrying out the purposes of the act as you have read it.

It is perfectly true that at this time I am coming before you saying that I want to do an aluminum plant and certain other priority items because they are all very important, but that I cannot do the airplanes because I believe that we would be overextended under our present criteria.

Mr. ASHLEY. Mr. Linder, you have read a good deal of statutory language. When you are confronted with language that says "insofar as possible," would you not think that this suggests that there may be situations that arise which give some substantive meaning to the phrase "insofar as possible?"

Mr. LINDER. There are. I think we have gone to the limit allowed by that language in many cases. But if we approved all the high-risk requests we receive, I am sure that we would not be fulfilling my statutory responsibility.