

is the interest rate. We are prepared to grant you all these if you sign the contract.

In our case, we said to our customer, we believe you will get the money from the Eximbank. We believe we can get you terms equal to those offered by the Germans. We believe the interest rate will be competitive. We almost lost the business, frankly, because we didn't have a firm statement. Finally, with the aid of the American Ambassador, who was most cooperative and capable, we were able to convince the Spanish Government that the American Government would meet the German terms if the contract were awarded to us, and it was.

Mr. CLAWSON. Thank you.

Mr. Von Klemperer, perhaps you can answer this question for the record without giving the answer now. You indicated that with the Government of France there were different interest rates, and also with French Government assistance, some of these projects were lost by our country as a result.

I am curious about the kind of Government assistance, what France actually did in a Government way in order to favor these particular transactions.

Then the second question would be, whether or not the Morgan Guarantee has an advisory committee to the executive committee, as far as their loans and policies are concerned?

Mr. VON KLEMPERER. We do. To answer the second question first, we get a great deal of advice from our board of directors. But we also have an international advisory council that advises us on our international policies.

With respect to France, I do remember one case which involved Diesel locomotives and one of the former colonial countries. And here it was a combination of bank credit and soft-term Government aid which brought about a low average interest rate and a longer repayment term than was customarily offered for the sale of locomotives.

Mr. CLAWSON. Do you know the amount of the interest rate in this transaction?

Mr. VON KLEMPERER. I don't, Mr. Clawson. I can try to get it if it is not privileged information.

Mr. CLAWSON. If you can get it, will you file it for the record?

Mr. VON KLEMPERER. I will be glad to do so.

(The following note was received.)

(To the Committee: I am unable to reconstruct this information in detail, Alfred Von Klemperer.)

Chairman PATMAN. Before yielding to Mr. Moorhead, I would like to read a letter that the Speaker of the House has just sent over here. It is addressed to him from the White House:

DEAR MR. SPEAKER: In compliance with Section 2(b) (2) of the Eximbank Act of 1945, as amended, this is to inform that I have determined that it is in the national interest for the Eximbank to extend guarantees and insurance and credits and to participate in the extension of credits in connection with any transaction involving the exportation of United States products and services to Yugoslavia.

The Bank will report the individual guarantees and insurance credits and participation to the Congress.

Sincerely,

LYNDON B. JOHNSON.