

should indicate your acceptance of that by some modification of the bill that would make this committee a part of it.

Mr. MOORHEAD. Mr. Foy, you described the Iranian steel mill situation where the Russians came in with a barter deal and very loose terms. Would I be correct in assuming that even if we passed this bill the Export-Import Bank probably would not or could not compete in the Iranian situation?

Mr. FOY. Absolutely not. Nobody would think of that.

Mr. BARRETT. Mr. Johnson.

Mr. JOHNSON. Thank you, Mr. Chairman. I want to address my questioning to Mr. Foy.

I notice in your testimony you state that your foreign operations last year were approximately \$40 million, and I would like to ask you some questions about the financing of it. If it is confidential information, of course you will not have to present it.

I am interested in the extent of the activities of the Eximbank in financing your \$40 million business last year. What percentage of that business was financed through the Eximbank?

Mr. FOY. Approximately 55 to 60 percent.

Mr. JOHNSON. So the role of the bank is quite substantial then; is it not?

Mr. FOY. Yes, sir. I would say over the last 10 years that between 30 and 50 percent, at least, of our total export has been financed through the Export-Import Bank.

Mr. JOHNSON. I am trying also to formulate in my mind just what would be a typical transaction that would, let us say, be approved if this particular piece of legislation is approved.

For instance, we just had a letter read saying in effect that the President is recommending further credits to Yugoslavia. I notice in the report here that we have already loaned them \$114 million and around \$9 million, I believe, this year; and we are going to grant them additional credits.

Now, would you consider a loan, in addition to the \$120 million that we have already loaned to Yugoslavia, would be a type of loan which this particular legislation would—

Mr. FOY. Mr. Congressman, I do not know how to answer your question; because, as far as we are concerned, we are not seeking any business back of the Iron Curtain at the moment, and I have no basis of judgment for your statement. I would not know.

Mr. JOHNSON. Would you answer the question, what would be the typical type of loan that this legislation would make possible, which is not possible now?

Mr. FOY. Well, let me give you an example that might be pertinent.

We are at the moment building a steel mill in the Philippines which has been financed by the Bank. The first stage of it we will start into operation about the end of this year.

The chairman of that company was in the bank recently wanting to change from electric furnace type of operation to blast a furnace type of operation for his hot metal which has not yet started. This will give them a good deal more total product to take care of the needs of their country. After study they came to the conclusion such a change should be made.