I am sure that in this field there has been not only an awakening, but also a recognition that this is all to the good. And it applies not only to banks, but it is moving over into the corporations generally. When you see the amount of time that the heads of corporations and the heads of banks and others are taking in this field—and that is what I was trying to indicate in that talk in Utah—you see that there is a change. And that is part of this administration's policy.

Senator PROXMIRE. That is very useful. But it seems to me that we have to see some concrete specific action. I am talking about what the insurance industry has done, which I think is most encouraging. They reported to the Banking Committee of the Senate that they were close to their commitment of $1 billion to be invested in the inner city areas. They invested over $700 million as of late last year. Now, what can the banks do? How can they get into the act? There is so much more money involved in the private financial institutions than the Federal Government has. Will guarantees do the best on the part of the Federal Government?

Secretary KENNEDY. Banks are doing it in several ways right now in this program. They are working on corporate joint enterprises to provide funds for not only loans, but also capital where it is needed. And they are making loan policies very liberal with respect to areas of need. If you add up the loans that are made, it is pretty hard to say whether they would have been made otherwise or not. We cannot pick a single number such as a billion dollars, but it will add up to a billion as you go along. And I think they can demonstrate statistically and in figures later to your satisfaction that effort is being directed in this vein.

Senator PROXMIRE. My time is up. What I want to know is what we can do as a Congress—there are guarantees, for example, which would not involve such a big budget commitment, in fact a rather modest one, but which would enable banks and other institutions to do a better job.

Secretary KENNEDY. That has to be on the Government side; this has to be a cooperative effort.

Chairman PATMAN. Ordinarily under the strict interpretation of the rules Senator Jordan would be the next member to interrogate the witness. But Mr. Widnall passed because he was not ready, and Senator Javits came in immediately thereafter. So unless there is an objection, the Chair will recognize Senator Javits under those circumstances.

Senator JAVITS. I thank the Chair very much. I hope there is no objection, I will try to be brief.

Chairman PATMAN. There is no objection.

Senator JAVITS. Mr. Secretary, just one question on your qualification to be Secretary of the Treasury, notwithstanding the fact that you are a banker, and will have some kind of interest, beneficial or not, directed to the extensive amount of bank stocks. What benefits does the United States get from the fact that you are one of the leading bankers in this country, perhaps in the world, from having you as Secretary of the Treasury?

Secretary KENNEDY. That is a very difficult question for me to answer. I do have from my experience in economics and financial matters a background that should be helpful. I would hope that it would be helpful. I do have a very large acquaintanceship abroad, not only among private bankers but among finance ministers and central bankers. I spent many years, as you know, in our Central Banking