BS. to the NEWS
by PHYLLIS SCHL.AFLY
1oz 618, Alton, Illinois 62002
bone: 618-462-5415

RELEASE: OCTOBER 17

LOANS TO COMMUNIST COUNTRIES

Would you lend any of your hard-earned savings to a Communist government without any collateral? If not, what do you think of the judgement of those who do?

Those questions almo t answer themselves, Most people know that Communists have no code of ethics that requires them to live up to their contracts or agreements when it is not in their self-interest to do so, And there is no way an American creditor can foreclose on or repossess property behind the Iron Cur in,

Why, then, have Western banks allowed the outstanding debt owed by the Soviet Union and Eastern European satellites to rise to $46 billion? One-third of that incredible sum is owed by the Soviet Union and the other two-thirds by Bulgaria, Czech oslovakia, East Germany, Hungary, Poland, and Rumania,

Many in the financial community fear that the banks which have granted these un secured loans will have to continue making more of the same kind of foolish loans in order to protect the.loans already made. It is also probable that they will soon start pressuring our.government to use taxpayers' money to protect or guarantee the loans to Communist countries, Don't underestimate the big-bank pressure; that was precisely what induced our Senate to give away the Panama Canal,

The loans made to the Iron Curtain countries have gone largely to finance steel, heavy truck, chemical, copper, and other industrial plants. The result has been to .provide the· Soviets with the advanced technology and equipment needed to build their military-industrial complex through which they can compete mi;itarily and economically with the United States.

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Meanwhile, the U.S. taxpayers' money is already going directly into Communist countries through the World Bank and its soft-loan affiliate called the International Development Agency (IDA). IDA recently loaned $60 million to Vietnam. According to Barron's, a main purpose of the loan is to finance a scheme for the Communist government to confiscate privately-owned land and force people into communes of about 75 families each.

IDA chose to ignore reports that the loan is very risky because of possible rebellion by the farmers and also because Vietnam may be on the verge of war again.· IDA is considering another project for aid to Vietnam tentatively estimated at $80 million.

But that's not all. Vietnam has obtained $33 million from India, who in turn is the largest recipient of World Bank funds. India plans to give Vietnam another $50 million.

The United States provides 37 percent of IDA's funds nd 25 percent of the World Bank's. But we don't have a veto power over how the money is spent. All we get out of it is Robert S. McNamara, who has been the World Bank president since 1968 when President Lyndon Johnson kicked him upstairs from his previous post as Secretary of Defense.

McNamara's entire career has been characterized by spending more and receiving less, ever since his Edsel days at the Ford Motor Company. He has increased the loans made by the World Bank·from $1 billion to $8.? billion per year. His own salary is reported to be $150,000 a year. The high officials of the World Bank receive salaries substantially greater than those of U.S. Cabinet officials and Congressmen.

At least 50,000 young Americans gave their lives to stop the spread of Communism in Southeast Asia. Now other Americans are being taxed to finance the Communist con solidation of total control over those same countries. That makes no more sense than furnishing advanced technology to the Soviet bloc plus the money to pay for it.

The money power of our government rests principally in the U.S. House of Representatives. Every seat in the House will be up for election on November 7. Ask your Congressional candidates what they will do to stop the bleeding of America for Communist countries.

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