

At the same time I would strongly advocate, and precisely for the reasons mentioned above, that the President could have discretionary powers concerning loans to Eastern Europe and could maneuver with them as his policy options might be opportune.

Mr. President,

This is a very delicate problem. Although I have clearly said that anything Eastern Europe gets may ultimately land in the USSR, one should at the same time have the eyes and ears widely open and seize any opportunities as they might surface.

There are always the exceptions from the rules and particularly this country cannot afford for the luxury of not making use of this proverbial wisdom.

I would be only glad to elaborate more on that orally, should such a need arise.

Mr. President,

In conclusion, I should like to repeat once more that the Soviet Bloc economies are in a very poor shape and everything suggests that their shape will be even still poorer.

At the same time, nothing suggests that they have come to reasons and embarked on the path of genuine change.

For these simple reasons bailing them out of trouble by fresh loans, as I can figure out rather not too well-thought, would be even more reckless than the case was in the past where some still believed that not enough experience existed.

It is unimaginable for me that the President of the United States could be deprived of the control over the resources of his country transferred to the hostile Bloc. National security, I understand, is