Tnese are the truisms but they should be repeated all the time.

<u>Question No. 2:</u> In what other ways might such loans be harmful to the interests of the United States and her allies?

Answer: The Soviet Bloc, especially its center the USSR, is hostile toward the United States and the West in general and to the point threatening their very existence.

In such a situation, anything helping the Bloc's military might, whether directly or indirectly, should be viewed accordingly.

Should the Bloc be willing to abandon its politico-strategic goals and its nonsensical socio-economic system, then one might ponder helping it with loans, even on concessionary terms.

But nothing like that is the case and it is hard to see any encouraging signs to this end. On the contrary, all the official pronouncements, Soviet in particular, do not promise any change in the past and present attitudes. On the contrary, it looks, at least I am convinced of that, as the Soviet economy move to something like a war footing. Even Poland's battered economy makes the same impression.

For this simple reason, anything like fresh Western loans, US first of all as some unfortunate examples of recent times suggest, would boost the Bloc's war effort. Especially, that the Floc acts on a highly selective basis and knows perfectly well what it wants. Western businesses and banks may think the Floc dances as they play. I am pretty sure it is the other way round.

May I also add that the Bloc's ability for selective approaches have also the other side of the coin. Namely, the Bloc deliberately creates various lobbies and pressure groups by concentrating certain of its imports and exports in certain countries or even certain com-