

House of Representatives, U. S.
Committee on Agriculture
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BROAD EXPANSION OF "COOLEY LOAN" PROGRAM PROPOSED

Chairman Harold D. Cooley of the House Committee on Agriculture proposed today a broad expansion of the "Cooley Loan" Program, under the Food For Peace Act, "to hasten the building of free enterprise, self-sustaining economies in the developing nations of the world."

"This loan program is the most promising way we have found to use foreign currencies to encourage the free enterprise system in developing countries," he said, "and free enterprise, as we know it in America, certainly is the surest way to eliminate the causes of hunger and poverty among friendly peoples of other nations."

"Cooley Loans" are made from local currencies derived from the sale of U. S. agricultural commodities to other countries. Under the amendment by Mr. Cooley to Public Law 480, which authorized the Food for Peace program, such local currency proceeds may be used to finance the development or expansion of industries and businesses in those countries which share our food abundance.

Mr. Cooley's original amendment authorized the use of 25 percent of local currencies acquired through the operation of P. L. 480 to be used for such loans. Today he proposed to take off the 25 percent limitations, to permit unlimited use of these currencies for "Cooley Loans" as may be agreed upon by the United States and the countries entering into P. L. 480 agreements.

"Showcases of free enterprise have been established in many countries by such loans," Mr. Cooley said. "I hope to see this program vastly expanded. I want to see free enterprise flourish around the world."

In the last 7 years, since the program was inaugurated, approximately \$200 million has been used in "Cooley Loans" in Latin America, Asia, Africa and Europe. Many scores of free enterprise industries and businesses have been established or expanded.

Chairman Cooley was invited to the Export-Import Bank last Thursday to witness the signing of the largest "Cooley Loan" ever extended, a \$22,597,000 credit as a part of a \$44,597,000 loan to help finance the establishment of a \$68 million fertilizer plant in India by American and Indian private interests.