

Eximbank lending programs — he has made plain now that the major thrust will be aimed at Exim's counterparts in Europe and Japan.

In short, he is concentrating on how foreign financing programs affect U.S. exports — *which we believe is the proper focus for Eximbank's chairman* — and how these may be offset by programs which can make American firms competitive in overseas markets....

"We're going to give these negotiations everything we've got, because only then will we be able to convince the Treasury, and the American people, that we need the means to compete," Mr. Moore said in a recent interview. So great is this concern about competition that he does not rule out some very unorthodox approaches — unorthodox, at least, for the U.S. He is particularly irritated by European programs that insure against losses due to exchange-rate fluctuations, and against inflation-induced cost rises, which have cost countries such as France and Italy hundreds of million of dollars a year....

One of Eximbank's responsibilities at this time is to help restore confidence in the world economy, he feels, since many countries are holding back on projects out of concern about the world recession. "It is incumbent on this agency to encourage capital projects and to make sure that potential borrowers know we're open for business. Korea, Taiwan, Mexico and Algeria are some of the countries with good potential."

The new chairman said Exim would not turn down a credit merely because the current price of the product was depressed. As long as the plan is well thought out, and as long as "we're not concerned about adverse impact on competitors in the United States," the project would be eligible for Exim funds. "Everyone loses if a major project somewhere gets in trouble," Mr. Moore said. "This is not to say, though, that we should avoid taking risks in commodity production, where there are long lead times and cyclical prices. I think we should even look at copper projects, even though the price is terrible right now." Eximbank has no "artificial country limit," and each request for credit will be determined on a project-by-project basis.

At this point, Mr. Moore estimates that by fiscal 1979, Eximbank will be extending between \$5 billion and \$5.5 billion in direct loans all told. He said that the agency's medium and short-term programs had not declined, although if inflation were taken into account, the real amounts expended might have dropped. But this may be corrected as a result of a review by Exim's current pricing structure on guarantee and insurance programs.

"This Administration should take a very positive stance for this Bank," he stressed, because such a posture "is needed to encourage the exporting community in this country. Above all, when I go around the world, I need to be able to say to planning ministers and others that we can move ahead, and that we've got the capacity at Eximbank to do whatever they want."

John Moore believes his experience as a lawyer and negotiator has prepared him well for the new role. "I feel comfortable in a negotiating framework wherever I am," he stated. The counter-revolution that he has brought to Eximbank should be warmly welcomed. As we have often argued, the United States cannot ignore its balance of trade, and Eximbank is an important tool in making American industry competitive.

At a meeting of the Arab-American Association for Commerce and Industry last month, Eximbank Chairman Moore revealed the extent to which Exim already has moved to implement his newly "aggressive posture."....

...He said Exim's particular interest would be in opening up new markets in the Middle East, through expanded U.S. exports. Exim negotiators, he added, have been talking joint-financing, with both Kuwait and Saudi Arabia, of projects in such underdeveloped Arab states as Oman, Sudan and Yemen.

The agency's biggest Arab market to date is Algeria, Mr. Moore pointed out — which ranks seventh among all national markets on Exim's lending list, with \$893 million committed. Several huge gas-processing projects are in the works, designed and equipped by American firms. "We are prepared to provide additional broad-based support for Algeria energy resources development projects," he said, "(including) essential infrastructure projects such as power and transportation facilities."

Besides Algeria, other Arab countries soon to benefit from Exim-supported energy projects include Morocco, with a power-distribution system; Tunisia, developing an offshore gas field, and Oman, where the U.S. agency is sponsoring a refinery and LPG plant.

### Miners Vote On New Coal Pact

As we go to press, 160,000 members of the United Mineworkers (UMW) union are voting on the terms of a contract with the Bituminous Coal Operators Association (BCOA) that could end the 109-day old national coal strike. While sources in the union report that the contract "should pass," the vote is expected to be extremely close. *Executive Intelligence Review* will present a full analysis of this crucial vote and its implications for the country in our next issue, as well as exclusive reports on the plans of Institute for Policy Studies-linked coal field terrorists for continued disruption of coal production regardless of the outcome of the ratification process.