

and treasury officials in the countries who speak our language and we speak theirs, and we struggle along trying to find some course of action which politically has a chance of success.

In view of the large resources that the Fund has--and let me say that those resources amount to about \$14 billion, a substantial part of which is not in usable form because it consists of currencies of LDC's that obviously you can't loan to other LDC's because this wouldn't make a whole lot of sense and would be like taking in each other's washing--our usable assets consist of our gold and of our holdings of the currencies of the 10 or 12 industrial or quasi-industrial countries in the world, including Canada and Japan and otherwise the U. S. and the Western European countries, those currencies which we hold in the form of non-interest-bearing notes which we can cash or turn into actual cash in those currencies and sell to the LDC's or anybody else, including the industrial countries, that is in need, plus our power to borrow, which is unlimited under our articles but which at the moment has been crystallized in the form of a so-called borrowing arrangement, by which 10 of the industrial countries have agreed to loan the Fund \$6 billion in their currencies, broken up by 10 amounts, depending on the size of the country, on our demand, on the basis of some fairly complicated conditions. These three groups of assets do add up to something like \$12 billion, and that is again a lot of money at any time, and it does mean that the Fund is the principal, reliable, secondary line of reserve available to member countries, the first line of reserve being the