

Simon Tells Asians U.S. Plans Continued Aid for Development

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MANILA, April 24 — The United States Treasury Secretary, William E. Simon, said at a meeting of the Asian Development Bank here today that there would be "no American withdrawal from this vast region."

"Our friends need not fear and our adversaries should beware of adopting policies which are predicated on a miscalculation of our firmness of purpose," he said, echoing recent statements by President Ford.

The Secretary said that because of the recent Communist take-over in Cambodia and the current "tragic scenes" in Vietnam he found it necessary to preface his address with a re-statement of the continuing American commitment to development efforts in Asia.

Old Ties Backed

Mr. Simon said the United States would continue to seek improved relations "with the major Communist powers—as we believe this benefits all nations—but at the same time we will continue to place highest value on our relations with our friends of long standing in Asia and around the world.

"The United States, as a nation of the Pacific as well as the Atlantic, must and will remain actively involved in the problems and the development of Asia," he declared.

President Ferdinand E. Marcos of the Philippines, delivering the keynote address today, called on the financial representatives of 41 member nations to rid the bank of "nagging suspicions" that it is a capitalist institution by welcoming the membership of socialist countries, notably China. Admission of China was so brought up by Aftab Ahmed Khan of Pakistan.

Bank officials explained earlier that China was not a member because she had not applied and because the Chinese Nationalist Government on Taiwan is a founding member in good standing. This is the bank's eighth annual meeting.

Lending to Be Increased

The bank's president, Shiro Inoue, of Japan, said the institution would increase its lending from the current \$2-billion level to nearly \$5.5-billion by 1980.

To attain this target, he said, it will be necessary to double the bank's capital by 1977 and to replenish the Special Fund by about \$1-billion.

Mr. Simon proposed that nonmember nations with strong external positions be persuaded to contribute and at parallel financing of certain projects be undertaken with private investors and banks. These would be in addition to members' contributions.