The original documents are located in Box C1, folder "Presidential Handwriting, 8/12/1974" of the Presidential Handwriting File at the Gerald R. Ford Presidential Library.

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THE PRESIDENT HAS SEEN ?.... John John John John John John John John John Marga Call

THE WHITE HOUSE

WASHINGTON

August 12, 1974

MEMORANDUM FOR THE PRESIDENT

FROM:

William E. Timmons

SUBJECT: Proposed Telephone Call to HFAC Chairman Morgan on the Foreign Aid Bill

I recommend that you call Chairman Morgan on Monday, August 12, 1974 to urge him to support the Administration's Foreign Aid Bill in the House Foreign Affairs Committee and in the full House. The Committee will resume today the mark-up sessions which have been underway for the past week.

The Foreign Aid Bill is in trouble in both the Senate and the House this year. Chairman Morgan, who in past years has been a supporter, this year seems to be backing away. Not only are the Administration's request levels being cut significantly, but there are determined efforts to encumber the legislation with amendments which would seriously limit your flexibility.

-- As to levels:

- . The House mark-up cuts Indo-China economic assistance from \$940 million to \$574 million having defeated a Zablocki proposal of \$705 million.
- . The Senate mark-up would authorize \$650 million for Indo-China aid.
- . The Senate would establish a ceiling on total bilateral aid to Vietnam \$300 million lower than our request.
- . The Senate would cut our military assistance request from \$980 million to \$700 million and our Foreign Military Sales request by \$125 million down to \$430 million.



-- As to restrictions:

- The House is considering an amendment prohibiting any transfer of funds from one part of the Bill to another except by your determination that it is important to U.S. security. Additional amendments limiting transfer authority are being considered.
- The Senate Committee is proposing to severely restrict transfer authority and to <u>eliminate</u> the blanket waiver authority you now have.
- The Senate Committee would eliminate the authority of the Secretary of Defense to draw-down Defense stocks to meet emergency needs -- we required the authority to meet both Cambodia and Middle East needs in the past.

The foregoing are illustrative of the Congressional mood. Congress is disenchanted with Foreign Aid at the very time when you need the legislation to support our professions of constancy in meeting our commitments to allies.

Suggested talking points for a call to Chairman Morgan follow.

TALKING POINTS

- -- Doc, I am calling to express my deep interest in, and concern for, the Administration's Foreign Aid Bill on which your Committee will resume mark-up today.
- -- The Bill is a vital element of our foreign policy and is key to the success of our relations, particularly in the Middle East and in Indo-China.
- -- Our commitment to development and security in Indo-China and in the Middle East is the key element in a stable peace in each of these areas.
- -- The levels of aid which the Bill requests are the minimum levels I believe to be essential to achieving our objectives in Indo-China and the Middle East. Elsewhere the amounts requested are a minimum statement of the needs as we see them.

- -- I am also concerned over amendments being considered which would seriously restrict flexibility in administering the Act. These limitations would be more restrictive than those imposed on any previous President. They would greatly restrict the flexibility that is necessary to react to changing circumstances that develop unavoidably during the year.
- -- I recognize that Congress is concerned over some abuses, inefficiency and ineffectiveness in the program in the past. Secretary Kissinger is personally taking hold of the program to improve it and increase its effectiveness.
- -- I hope that I can count on your support in preserving the levels of the request and in assuring that restrictive amendments do not preclude the effective administration of the Bill.



THE WHITE HOUSE

WASHINGTON

Aid Bill

August 20, 1974

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

FROM:

SUBJECT:

JERRY H. ONES

Chairman Morgan on the Foreign

WILLIAM E. TIMMONS

Your memorandum to the President of August 12 on the above subject has been returned with the following notation:

--I talked with Doc Morgan and Chuck Morgan.

cc: Al Haig

