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THE WHITE HOUSE
WASHINGTON

September 24, 1976

MR PRESIDENT:

PL 480 for Jamaica

The attached package prepared by Brent Scowcroft was staffed to Messrs. Buchen, Friedersdorf, Greenspan and Marsh.

Comments and recommendations received:

Messrs. Buchen and Marsh - recommend approval.

Alan Greenspan (Paul MacAvoy) comments as follows: "The economic benefits of the \$2.5 million Jamaican program to the Jamaicans and to U.S. farmers are almost certainly less than the budget costs of such a small program. The exceptional political benefits necessary to justify this departure from an economically rational use of food aid funds are not apparent in the Scowcroft and Kissinger memoranda. "

Max Friedersdorf commented - "Representative Broomfield advises slight Congressional interest. I recommend approval. "

Jim Connor

THE WHITE HOUSE

WASHINGTON

September 24, 1976

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: BRENT SCOWCROFT

FROM: JAMES E. CONNOR *JEC*

SUBJECT: PL-480 for Jamaica

The President has reviewed your memorandum of September 20 on the above subject and has approved Secretary Kissinger's request to continue the \$2.5 million PL-480 Title I program in Jamaica.

Please follow-up with the appropriate action.

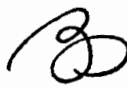
cc: Dick Cheney
Jim Lynn

THE WHITE HOUSE

WASHINGTON

CONFIDENTIALACTION

September 20, 1976

MEMORANDUM FOR: THE PRESIDENT
FROM: BRENT SCOWCROFT 
SUBJECT: PL-480 for Jamaica

Last May Secretary Kissinger requested that you approve small PL-480 Title I programs for Afghanistan and Jamaica. You approved the program for Afghanistan, but disapproved the program for Jamaica (Tab C).

Secretary Kissinger now requests (Tab A) that you reconsider your decision on the \$2.5 million program for Jamaica. Secretary Kissinger notes that Castro is cultivating Jamaica to broaden Cuba's influence in the Carribbean, that Jamaican Prime Minister Manley's suspicion of our motives is growing, and that by proceeding with this PL-480 program -- which is fully justified on humanitarian grounds -- we can deny Manley this pretext for attacking us in his election campaign.

Jim Lynn continues to oppose the program (Tab B). He argues that Jamaica can finance its own school food feeding program, that we have terminated AID development projects pending settlement of investment disputes between the Government of Jamaica and U. S. bauxite companies, and that the program is too small to have major political impact.

I believe that the program for Jamaica is important. Our relations with that country are deteriorating, through no fault of our own. Prime Minister Manley, although he does not entirely trust the Cubans, seems to be increasingly persuaded of the validity of their argument that the United States is attempting to "destabilize" the GOJ because we do not like their socialist form of government or their close relations with Cuba. Facing an election and increasing dissatisfaction with the economic and political situation in the country, Manley is attempting to use the "destabilization" theme as an emotional campaign issue. This is being heard not only in Jamaica, but elsewhere in the Carribbean.

The mother/child and school feeding program proposed clearly will not reverse the trend in our relations, but there is a good chance that it can:

DECLASSIFIED

E.O. 12356, Sec. 3.4.

CONFIDENTIAL

MR 92-66, #37 NSC Ltr. 9/19/95

By KBH NARA, Date 10/30/95

- make it more difficult for Manley to continue using the "destabilization" theme as a campaign issue;
- buy time with Manley to pursue other avenues to dissuade him of his positions, by providing concrete evidence to counter the "destabilization" line;
- provide positive indications to the people of Jamaica of our continued concern for them (despite the Manley charges).

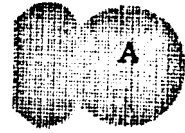
The proposed program is a continuation of our contribution to a program originally AID inspired but now carried out largely with Jamaican resources. It would not provide economic support, as opposed to humanitarian assistance, nor would we wish to do so at this time. Terminating the program, however, will be seen as a distinctly negative action and provide additional fuel for the "destabilization" charges. Further slippage in our relations could also negatively affect the negotiations with the major bauxite companies, which are at the moment proceeding well. The Prime Minister has raised continuation of this program with us directly, and obviously sees it as an indicator of our intentions in our bilateral relationship.

The program can be accommodated within your 1976/TQ budget level for PL-480.

RECOMMENDATION:

I recommend that you approve Secretary Kissinger's request to continue the \$2.5 million PL-480 Title I program in Jamaica.

Approve RRY Disapprove _____



THE SECRETARY OF STATE
WASHINGTON

August 26, 1976

CONFIDENTIAL

MEMORANDUM FOR: THE PRESIDENT

From: Henry A. Kissinger *HK*

Subject: PL-480 Program for Jamaica

Last month you decided that we should not provide \$2.5 million in PL-480 Title I to Jamaica. I urgently request reconsideration of this decision.

Cuban influence has been growing in the English-speaking Caribbean. Jamaica is the centerpiece and Castro is having success in developing close ties with Prime Minister Manley.

Policy differences between Jamaica and the US have created an atmosphere in which suspicions of our motives and actions have grown. Manley now charges that the USG is trying to "destabilize" Jamaica. He and his colleagues have cited as one evidence of USG hostility our unwillingness to assist their country with credits and loans. The modest PL-480 request looms particularly large in Jamaican eyes as a symbol of our general attitude toward them. We want to deny Manley this pretext for attacking us and deny him the advantage it could give him if elections are scheduled before May, as the law requires.

How we respond will affect our longer term relationship. A more forthcoming attitude could set the stage for the more constructive relations we will need if Manley's move toward Castro is to be checked.

CONFIDENTIAL
GDS

DECLASSIFIED
E.O. 12958, Sec. 3.4

MR 92-68, # 38, State Hr. 2/5/93
By KBH, NARA, Date 3/19/93

~~CONFIDENTIAL~~

-2-

The PL-480 request is also fully justified on humanitarian grounds. Our food sales would go directly to a school and child health feeding program for 300,000 of Jamaica's undernourished. The school year starts in September. Because of a disastrous balance of payments situation, the Jamaicans need PL-480 commodities.

Recommendation:

That you authorize the requested \$2.5 million PL-480 Title I program for Jamaica.

Approve _____

Disapprove _____



B

~~CONFIDENTIAL - GDS~~



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

SEP 17 1976

ACTION

MEMORANDUM FOR: THE PRESIDENT
FROM: JAMES P. LYNN
DIRECTOR
SUBJECT: PL-480 for Jamaica in the
Transition Quarter

Last May you rejected a State request to increase PL-480 Title I program for school feeding in Jamaica in FY 1976-Transition Quarter to \$2.5 million. The attached memorandum from Secretary of State Kissinger asks you to reconsider your decision on PL-480 for Jamaica, repeating the political justification for the program made earlier.

Nothing has changed on this issue since your original decision:

- ° Jamaica remains a relatively high income LDC (\$990 per capita) and can finance its own school feeding program; on this basis, U.S. Government agencies agreed that last year was to be the final year in phasing out U.S. food aid.
- ° AID development funding was terminated last year pending settlement of investment disputes with U.S. bauxite companies. The disputes continue.
- ° In terms of improving U.S. relations with Jamaica and stemming the Jamaican Government's move toward Castro, the \$2.5 million food aid program is too small to have the sort of major political impact claimed for it by the State Department.



Agency Positions

For the above reasons, OMB continues to recommend strongly against any PL-480 program for Jamaica. Treasury and USDA also recommend against the State proposal. State, AID and NSC support PL-480 for Jamaica.

DECLASSIFIED
E.O. 12958 Sec. 3.6

~~CONFIDENTIAL - GDS~~

MR 95-12, #6; NSC Ltr 6/6/96
By let NARA, Date 8/21/96

DECISION

Approve \$2.5 Million PL-480 for
Jamaica

Disapprove \$2.5 Million PL-480
for Jamaica

Attachment





THE WHITE HOUSE

WASHINGTON

ACTIONCONFIDENTIAL - GDS

MEMORANDUM FOR: THE PRESIDENT

FROM: BRENT SCOWCROFT

SUBJECT: PL-480 Programs for
Jamaica and Afghanistan

Secretary Kissinger has proposed small PL-480 programs for Jamaica (\$2.5 million) and Afghanistan (\$2.6 million). The Secretary discusses the need for these programs in the memorandum to you at Tab A. At Tab B is a memorandum to you from Jim Lynn recommending against these programs.

Secretary Kissinger's memorandum points out the importance of these two small programs.

--In Jamaica, we wish to extend a highly successful humanitarian program for an additional year to avoid giving radicals further anti-U.S. arguments during the current highly agitated political campaign. Jamaica supplies over half of our bauxite needs, and investment disputes between the government and U.S. companies are in a delicate negotiating stage.

--In Afghanistan, we wish to remove the irritant of a program which was not completed in 1973 -- albeit because the Afghans moved slowly. You will meet on July 1 with Mohammad Naim, brother and chief advisor to the Afghan President; he would be pleased to know this small problem had been resolved.

OMB argues that these two programs illustrate an undesirable trend toward proliferation of PL-480 recipients. OMB believes these programs are of low political priority, have little developmental justification, and will be hard to terminate. Specifically, OMB argues:

--that in the case of Jamaica, severe balance of payments problems should not obscure the country's wealth relative to other LDCs, and that the political impact would be both small and counter

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E.O. 12356, Sec. 3.4.

MR 92-66, #40 NSC Ltr 9/19/95
By KBH NARA, Date 10/30/95

to our suspension of development lending as a result of the ongoing investment disputes;

--that in the case of Afghanistan, the country has high foreign exchange reserves even though it is one of the poorest of countries, that our AID reduction is temporary, and that the program would probably have no impact on the country's stability.

I strongly support Secretary Kissinger's proposals for the following reasons:

--Secretary Kissinger is not requesting additional funding for the programs, which would be included within the currently approved PL-480 budget. It is the Secretary's judgment that this allocation of available PL-480 resources represents the most effective programming in terms of our foreign policy objectives. I concur.

--Although OMB's arguments against "proliferation" of PL-480 programs raise a policy issue which could be prepared for your review and decision, neither paper adequately develops this broader issue. I believe you should at this time review only the specific cases of Jamaica and Afghanistan, on their respective merits.

--There is nothing inherently wrong with small programs. To the contrary, I believe there is considerable merit in continuing small programs in various countries, rather than focusing on a few large recipients, when in our judgment there are valid foreign policy reasons for so doing. (I should note that even with these two programs, the total would still be considerably below the average of the last 10 years.)

RECOMMENDATION

That you approve the PL-480 programs proposed for Jamaica and Afghanistan.

Approve _____

Disapprove

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

JUN 21 1976

MEMORANDUM FOR: THE PRESIDENT
FROM: Paul H. O'Neill *O'Neill*
SUBJECT: P.L. 480 Programming Trends

The State Department has requested approval to undertake P.L. 480 credit programs in two countries -- Afghanistan and Jamaica. Both countries can be accommodated within your 1976 budget. However, these proposals illustrate the proliferation of countries participating in the P.L. 480 program (Title I credit sales) which I consider to have relatively low political priority and little developmental justification. Because of their broad implications for future programming, I believe you should review the State requests.

The attached table shows the growth in the number of P.L. 480 programs from 1975 to 1977. In 1975, commodity shortages reduced the number of programs to 18; but for 1977, State/AID are proposing that the number be increased to 25. This trend indicates a return to the high level of country recipients -- often more than 30 -- which prevailed in the period before 1973 when P.L. 480 was used to dispose of CCC surplus commodities. Some of the new programs are so small in size, even relative to the recipient's consumption of the food aid commodity, that in my view there is little likelihood that they can have any significant political or economic impact. These small programs, however, will total to more than \$77 million in 1977 outlays or about 10% of the total planned Title I program.

Programs of this type, once initiated, are difficult to terminate in subsequent years because of the negative political impact usually associated with program termination. As a result, when newer, higher priority needs develop, they tend to be added to existing P.L. 480 programs forcing increases in the total program.



DECLASSIFIED
E.O. 12958 Sec. 3.6

NR 95-12, #8; NSC with 6/6/96

By lit NARA, Date 8/21/96

State/AID argue that the returns (political, developmental, humanitarian) for the Afghanistan and Jamaica programs are at least commensurate with outlay. More basically, they do not think there should be a presumption against small programs. P.L. 480 legislation now requires that at least 75 percent of Title I assistance go to poorer countries. Many of the poorer countries are small and programs must be tailored accordingly. A large country bias, on the other hand, would increase the leverage such recipients already exercise over our allocations. Small countries are increasingly important to us in a one country/one vote world and P.L. 480, because it is quick-disbursing, is a particularly effective foreign policy instrument.

Afghanistan

The Afghanistan proposal would provide 4,000 tons of vegetable oil (\$2.6 million). State supports the program because:

- Our interest in South Asian stability is supported by a stable Kabul regime not overly dependent on the Soviet Union;
- It will help make up for cuts this year in other assistance and exchange programs;
- Afghanistan is one of the poorest countries (\$90 per capita income) and is classed as an MSA;
- The program could help ease future Afghan foreign exchange problems;
- Refusal to undertake the program would disturb the atmosphere for the visit of the Afghanistan President's brother, Mohammed Naim, whom you are meeting July 1; and,
- This will be particularly true if, as is now proposed, we increase Title I oil shipments to Pakistan.

OMB recommends against the program because:

- Afghanistan currently faces no short-term foreign exchange problems - the value of imports is nearly equal to the value of exports, and foreign exchange reserves are equal to six month's worth of imports;



- It seems unlikely that the stability of the Afghan government will be affected by a program of this size;
- The cut in AID programs is temporary, caused by a shift to projects designed to aid the poorest sectors; and is partially offset by planned AID programming in the Transition Quarter;
- The program is not related to Afghanistan's economic development plans; and,
- The impending State visit of the brother of the Afghan President is no justification for initiating a food aid program; such a program should be justified on its merits.

Decision

Option #1 - Undertake the proposed \$2.6 million oil program and leave open the possibility of future continuation. State, AID, and USDA support this option. ✓

Option #2 - Do not undertake the program. OMB recommendation. _____

Jamaica

State and AID propose \$2.5 million in Title I credit sales to provide high protein blended foods for expansion of Jamaica's school lunch and mother and child feeding programs. State argues that:

- With Cuban influence in Jamaica growing, a positive U.S. response to the GOJ request would strengthen moderate political forces;
- A Title I program would help belie the claim of more radical Jamaicans that the USC is attempting to destabilize Jamaica in a manner they assert is reminiscent of Chile;
- U.S. companies are negotiating with the GOJ the future status of bauxite/alumina investments from which we secure half our bauxite requirements; rejection of the Title I request could harm the cooperative relationship we think essential for these discussions;



- Jamaica has severe economic problems including a negative net foreign exchange balance which limits its ability to finance imports;
- The program, reaching 300,000 needy Jamaicans, primarily children, supports the GOJ's increasing commitment to improved nutrition;

OMB opposes the program because:

- Jamaica is a relatively wealthy developing country (\$990 per capita income) and could finance its own feeding program;
- The program appears to be too small to have a major impact on the Jamaican political situation;
- Reflecting Jamaica's relatively high income level, Title I blended foods were provided last year as the last program in a phase-out of U.S. food aid; and,
- AID development lending was terminated last year pending settlement of investment disputes with U.S. aluminum companies, which have not yet been resolved. Providing P.L. 480 now could undermine this decision.

Decision

Option #1 - Undertake the proposed program this year and leave open the possibility of continuing it in the future. State, AID recommendation.

Option #2 - Do not undertake the program. OMB recommendation supported by Treasury and USDA.

✓

Proliferation

Because the current programming process is raising country issues such as these above, OMB recommends that you direct OMB to undertake an interagency study to develop firm guidelines for future Title I food aid programming for political and developmental purposes for your review and approval by the beginning of Fiscal Year 1977. All proposed programs for 1977 should be evaluated in the light of these guidelines.



State/AID and USDA oppose a study which they believe might interfere with orderly implementation of FY 1977 programming. They argue that the interagency P.L. 480 programming process is the proper means for weeding out marginal programs and do not believe an additional exercise is warranted. They note that the agencies concerned with P.L. 480 have recently approved procedures designed to make food aid a more effective development resource, beginning with the next budget presentation. They believe that the use of food aid for political purposes can only be decided on a case-by-case basis.

_____ Approved

✓

_____ Disapprove

Attachment



P.L. 480 Country Programs
Title I
(\$ millions)

	<u>1975 Actual</u>	<u>Planned 1976 & TQ</u>	<u>1977 AID Congressional Presentation</u>
Vietnam	22	---	---
Cambodia	88	---	---
Egypt	77	203	150
Israel	9	19	9
Syria	7	19	10
Jordan	6	12	6
Pakistan	78	95	80
India	98	83	61
Bangladesh	203	186	134
Sri Lanka	18	22	18
Chile	48	49	30
Korea	75	135	145
Indonesia	6	60	35
Guinea	10	8	5
Haiti	2	5	6
Tanzania	6	4	6
Honduras	5	2	8
Jamaica	2	3	*
Portugal	---	20	30
Zaire	---	13	8
Afghanistan	---	3	2
Ethiopia	---	4	3
Morocco	---	15	6
Tunisia	---	3	3
Guatemala	---	3	*
Zambia	---	2	*
Philippines	---	---	17
Liberia	---	---	3
Senegal	---	---	10
Mali	---	---	8
Subtotal.	760	968	793
Carry-in	---	124	
Reserve	---	15	74
Total	760	1,107	867

*These programs were proposed for 1976 after the AID 1977 Congressional Presentation was submitted to Congress. It is expected that State/AID will propose to continue these programs in 1977.

7603535

THE SECRETARY OF STATE
WASHINGTON

June 17, 1976

CONFIDENTIAL

MEMORANDUM FOR: THE PRESIDENT

From: Henry A. Kissinger

Subject: PL 480 Programs for Jamaica
and Afghanistan

The Jamaican and Afghanistan Governments have requested small Title I PL 480 programs this year. I consider it highly important that we provide such assistance.

OMB is sending you a memorandum recommending against both programs on the grounds, in its view, that they have relatively low political priority and little developmental justification. More generally, OMB is concerned that an increasing number of small programs will eventually force increases in PL 480 budget levels.

The Jamaica (\$2.5 million) and Afghanistan (\$2.6 million) programs fit within the approved Title I budget levels for FY-1976 and the transitional quarter. I believe the important issue is not proliferation, but whether the political, developmental and humanitarian returns are commensurate with outlay. I believe they are.

The Jamaicans attach symbolic importance to the continuation of a PL 480 program. Were it terminated during the current period of economic difficulties, the decision would almost certainly be interpreted as a "destabilizing" action on our part. Jamaica's leadership erroneously suspects that we are trying to undermine the Manley Government. An action on our part tending to reinforce that suspicion would strengthen the radical, pro-Cuban faction.

The US has significant economic interests in Jamaica. Among them is US investment in the bauxite/alumina industry which is about \$630 million. Investment disputes between the Jamaican Government and the bauxite companies are in a delicate negotiating stage; the situation should not be exacerbated.

CONFIDENTIAL

GDS

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E.O. 12356, Sec. 3.4.

MR 95-12, #9 State (tr. 8/25/95)
By 1694 NARA, Date 9/11/95

CONFIDENTIAL

2

The Jamaican PL 480 program has high humanitarian content. It provides nutrition to a large number of Jamaica's poorest women and children who are seriously affected by the highly adverse trends in Jamaica's economy.

The Afghanistan program will provide about one-third of vegetable oil import requirements this year. Afghanistan is one of the world's poorest countries and is classed as one of the most seriously affected (MSA) by oil and other commodity price increases.

We have real, if limited, interests in Afghanistan. Internal developments there historically have affected neighboring nations, and our overriding interest in South Asian regional stability argues for a genuine United States effort to promote a responsible, economically progressive government in Kabul. Also, we seek to assist Afghanistan in avoiding over-dependence on the Soviet Union. The PL 480 program will contribute to these objectives and, this year, will help to make up for temporary reductions in AID programing.

In support of our interests we have invited Mohammad Naim, brother and chief advisor of the Afghan President, to visit Washington in late June. He is scheduled to meet with you July 1. I would hope that Afghanistan's PL 480 request will no longer be an issue at that time.

I urge your favorable consideration of both the Jamaica and Afghanistan proposals. I do not think there should be a presumption against small PL 480 programs; small countries are increasingly important to us. PL 480 has proven to be a particularly effective foreign policy instrument where the return can far outweigh the cost.

CONFIDENTIAL

STAFFING

September 24, 1976

MR PRESIDENT:

PL 480 for Jamaica

The attached package prepared by Brent Scowcroft was staffed to Messrs. Buchen, Friedersdorf, Greenspan and Marsh.

Comments and recommendations received:

Messrs. Buchen and Marsh - recommend approval.

Alan Greenspan (Paul MacAvoy) comments as follows:

"The economic benefits of the \$2.5 million Jamaican program to the Jamaicans and to U.S. farmers are almost certainly less than the budget costs of such a small program. The exceptional political benefits necessary to justify this departure from an economically rational use of food aid funds are not apparent in the Scowcroft and Kissinger memoranda."

Max Friedersdorf commented - "Representative Broomfield advises slight Congressional interest. I recommend approval."

Jim Connor

THE WHITE HOUSE
WASHINGTON

TO: BOB LINDER

FROM: TRUDY FRY

The attached is sent to you for review before it is forwarded to the President.

I will staff after you review.

VB.

THE WHITE HOUSE

WASHINGTON

~~CONFIDENTIAL~~ACTION

September 20, 1976

MEMORANDUM FOR: THE PRESIDENT

FROM: BRENT SCOWCROFT *BS*

SUBJECT: PL-480 for Jamaica

Last May Secretary Kissinger requested that you approve small PL-480 Title I programs for Afghanistan and Jamaica. You approved the program for Afghanistan, but disapproved the program for Jamaica (Tab C).

Secretary Kissinger now requests (Tab A) that you reconsider your decision on the \$2.5 million program for Jamaica. Secretary Kissinger notes that Castro is cultivating Jamaica to broaden Cuba's influence in the Caribbean, that Jamaican Prime Minister Manley's suspicion of our motives is growing, and that by proceeding with this PL-480 program -- which is fully justified on humanitarian grounds -- we can deny Manley this pretext for attacking us in his election campaign.

Jim Lynn continues to oppose the program (Tab B). He argues that Jamaica can finance its own school food feeding program, that we have terminated AID development projects pending settlement of investment disputes between the Government of Jamaica and U.S. bauxite companies, and that the program is too small to have major political impact.

I believe that the program for Jamaica is important. Our relations with that country are deteriorating, through no fault of our own. Prime Minister Manley, although he does not entirely trust the Cubans, seems to be increasingly persuaded of the validity of their argument that the United States is attempting to "destabilize" the GOJ because we do not like their socialist form of government or their close relations with Cuba. Facing an election and increasing dissatisfaction with the economic and political situation in the country, Manley is attempting to use the "destabilization" theme as an emotional campaign issue. This is being heard not only in Jamaica, but elsewhere in the Caribbean.

The mother/child and school feeding program proposed clearly will not reverse the trend in our relations, but there is a good chance that it can:

DECLASSIFIED

E.O. 12356, Sec. 3.4.

~~CONFIDENTIAL~~

Same as MR 92-66, #37
By *KBH* NARA, Date *10/30/95*

- make it more difficult for Manley to continue using the "destabilization" theme as a campaign issue;
- buy time with Manley to pursue other avenues to dissuade him of his positions, by providing concrete evidence to counter the "destabilization" line;
- provide positive indications to the people of Jamaica of our continued concern for them (despite the Manley charges).

The proposed program is a continuation of our contribution to a program originally AID inspired but now carried out largely with Jamaican resources. It would not provide economic support, as opposed to humanitarian assistance, nor would we wish to do so at this time. Terminating the program, however, will be seen as a distinctly negative action and provide additional fuel for the "destabilization" charges. Further slippage in our relations could also negatively affect the negotiations with the major bauxite companies, which are at the moment proceeding well. The Prime Minister has raised continuation of this program with us directly, and obviously sees it as an indicator of our intentions in our bilateral relationship.

The program can be accommodated within your 1976/TQ budget level for PL-480.

RECOMMENDATION:

I recommend that you approve Secretary Kissinger's request to continue the \$2.5 million PL-480 Title I program in Jamaica.

Approve _____ Disapprove _____

THE SECRETARY OF STATE
WASHINGTON

August 26, 1976

CONFIDENTIAL

MEMORANDUM FOR: THE PRESIDENT

From: Henry A. Kissinger *HK*

Subject: PL-480 Program for Jamaica

Last month you decided that we should not provide \$2.5 million in PL-480 Title I to Jamaica. I urgently request reconsideration of this decision.

Cuban influence has been growing in the English-speaking Caribbean. Jamaica is the centerpiece and Castro is having success in developing close ties with Prime Minister Manley.

Policy differences between Jamaica and the US have created an atmosphere in which suspicions of our motives and actions have grown. Manley now charges that the USG is trying to "destabilize" Jamaica. He and his colleagues have cited as one evidence of USG hostility our unwillingness to assist their country with credits and loans. The modest PL-480 request looms particularly large in Jamaican eyes as a symbol of our general attitude toward them. We want to deny Manley this pretext for attacking us and deny him the advantage it could give him if elections are scheduled before May, as the law requires.

How we respond will affect our longer term relationship. A more forthcoming attitude could set the stage for the more constructive relations we will need if Manley's move toward Castro is to be checked.

CONFIDENTIAL
GDS

DECLASSIFIED

E.O. 12356, Sec. 3.4.

NR 95-35, #10 State Hr. 8/25/95
By *KBH*, NARA, Date *9/11/95*

CONFIDENTIAL

-2-

The PL-480 request is also fully justified on humanitarian grounds. Our food sales would go directly to a school and child health feeding program for 300,000 of Jamaica's undernourished. The school year starts in September. Because of a disastrous balance of payments situation, the Jamaicans need PL-480 commodities.

Recommendation:

That you authorize the requested \$2.5 million PL-480 Title I program for Jamaica.

Approve _____

Disapprove _____



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

SEP 17 1976

ACTION

MEMORANDUM FOR: THE PRESIDENT
FROM: JAMES T. LYNN
DIRECTOR
SUBJECT: PL-480 for Jamaica in the
Transition Quarter

Last May you rejected a State request to increase PL-480 Title I program for school feeding in Jamaica in FY 1976-Transition Quarter to \$2.5 million. The attached memorandum from Secretary of State Kissinger asks you to reconsider your decision on PL-480 for Jamaica, repeating the political justification for the program made earlier.

Nothing has changed on this issue since your original decision:

- Jamaica remains a relatively high income LDC (\$990 per capita) and can finance its own school feeding program; on this basis, U.S. Government agencies agreed that last year was to be the final year in phasing out U.S. food aid.
- AID development funding was terminated last year pending settlement of investment disputes with U.S. bauxite companies. The disputes continue.
- In terms of improving U.S. relations with Jamaica and stemming the Jamaican Government's move toward Castro, the \$2.5 million food aid program is too small to have the sort of major political impact claimed for it by the State Department.



Agency Positions

For the above reasons, OMB continues to recommend strongly against any PL-480 program for Jamaica. Treasury and USDA also recommend against the State proposal. State AID NSC support PL-480 for Jamaica.

DECLASSIFIED
E.O. 12958 Sec. 3.0

~~CONFIDENTIAL~~ - GDS

MR 95-12, #6, NSC letter 6/6/96
By ut NAHA, Date 8/21/96

DECISION

Approve \$2.5 Million PL-480 for
Jamaica

Disapprove \$2.5 Million PL-480
for Jamaica

Attachment



THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: September 20, 1976

Time:

FOR ACTION:

cc (for information):

☒ Phil Buchen
☒ Alan Greenspan
☒ Jack Marsh
☒ Max Friedersdorf
FROM THE STAFF SECRETARY

DUE: Date: Wednesday, A Sept. 22

Time: 10 A.M.

SUBJECT:

Brent Scowcroft memo 9/20/76 re PL-480
for ~~the~~ Jamaica

ACTION REQUESTED:

☐ For Necessary Action☒ For Your Recommendations☐ Prepare Agenda and Brief☐ Draft Reply☒ For Your Comments☐ Draft Remarks

REMARKS:

*Friedersdorf - see comments
Greenspan - see comments
Buchen (Smulth) Recommend approval
Marsh approve*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Jim Connor
For the President

COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

ALAN GREENSPAN, CHAIRMAN
PAUL W. MACAVOY
BURTON G. MALKIEL

September 22, 1976

MEMORANDUM FOR JAMES CONNOR

FROM: Paul W. MacAvoy *pm*

SUBJECT: Brent Scowcroft Memo 9/20/76 re: PL-480

The economic benefits of the \$2.5 million Jamaican program to the Jamaicans and to U.S. farmers are almost certainly less than the budget costs of the commodities and the costs of administration of such a small program. The exceptional political benefits necessary to justify this departure from an economically rational use of food aid funds are not apparent in the Scowcroft and Kissinger memoranda.



ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: September 20, 1976

Time:

9/21

FOR ACTION:

cc (for information):

Phil Buchen

Alan Greenspan

Jack Marsh

Max Friedersdorf

FROM THE STAFF SECRETARY

DUE: Date: Wednesday, A Sept. 22

Time: 10 A.M.

SUBJECT:

Brent Scowcroft memo 9/20/76 re PL-480
for ~~324~~ Jamaica

ACTION REQUESTED:

☐ For Necessary Action☒ For Your Recommendations☐ Prepare Agenda and Brief☐ Draft Reply☒ For Your Comments☐ Draft Remarks

REMARKS:

CONFIDENTIAL ATTACHMENT

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.If you have any questions or if you anticipate
delay in submitting the required material, please
telephone the Staff Secretary immediately.Jim Connor
For the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

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FROM THE STAFF SECRETARY

DUE: Date: Wednesday, A Sept. 22

Time: 10 A.M.

SUBJECT:

Brent Scowcroft memo 9/20/76 re PL-480
for [REDACTED] Jamaica

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*Second approval**G. Schmitt 9/22*PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

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Jim Connor
For the President

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REMARKS:

CONFIDENTIAL ATTACHMENT

*Rep. Broomfield advises slight Congressional
interest. ~~Refer to State & DMB.~~
I recommend approval.*

May +

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telephone the Staff Secretary immediately.

Jim Connor
For the President