

The original documents are located in Box C33, folder “Presidential Handwriting, 12/31/1975” of the Presidential Handwriting File at the Gerald R. Ford Presidential Library.

Copyright Notice

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Gerald Ford donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

THE WHITE HOUSE
WASHINGTON

ADMINISTRATIVELY CONFIDENTIAL

December 31, 1975

MEMORANDUM FOR: JIM LYNN
FROM: JIM CONNOR
SUBJECT: Additional Foreign Aid 1976 Budget Amendments

The President reviewed your memorandum of December 18, 1975, on the above subject and made the following decisions:

Approve \$15 million increase for Israel
(State/NSC/OMB recommendation)

Disapprove \$37 million increase for AID
development programs (OMB Recommendation)

Please follow up with appropriate action.

cc: Dick Cheney
Brent Scowcroft



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

DEC 8 1975

MEMORANDUM FOR: THE PRESIDENT
FROM: JAMES T. LYNN
SUBJECT: Additional Foreign Aid 1976 Budget Amendments

The State Department is requesting your approval of budget amendments 1) adding \$15 million for security supporting assistance for Israel in 1976; and, 2) adding \$29.4 million for 1976 and \$7.6 million in the transition quarter for bilateral development assistance operating expenses.

Increased Assistance for Israel

You have approved economic assistance for Israel totalling \$800 million in 1976. The bulk of this amount, \$740 million, is in security supporting assistance loans and grants, with the remaining funds being provided through P.L. 480 (\$15 million), housing loan guarantees (\$25 million), and refugee relief (\$20 million). The Israelis have argued that P.L. 480 should be excluded from the total because P.L. 480 was excluded from the assistance figure originally announced for Egypt. They seek consistent treatment for Israel, and believe supporting assistance should be increased by \$15 million to compensate.

Secretary Kissinger has stated, in testimony before the House International Relations Committee, that the Administration would take steps to rectify the disparity. Congress has added \$15 million to the draft security assistance authorizing legislation for this purpose. In view of the circumstances, OMB has no objection to the proposed amendment.

Approve \$15 million increase for Israel (State/NSC/OMB recommendation)

MC7

Disapprove

AID Bilateral Development Assistance Increase

Most of the 1976 and transition quarter increases requested by AID would finance certain Washington overhead administrative expenses which originally were to be funded from Indochina Postwar Reconstruction appropriations, now deleted from the budget. The bulk of these expenses still must be paid. The remainder of the requested increases would cover additional salary costs deriving from the recent Federal pay raise.

OMB agrees that the additional expenses are necessary, but because of your tight 1976 budget stance, recommends that they be financed within the existing budget request. The transfer of \$29.4 million in 1976 to these operating expense activities within a total request for bilateral aid of over \$1 billion should not seriously affect other programs, and a supplemental for this purpose would undercut your overall posture of budget stringency. AID is also seeking a \$7.6 million increase for the same purpose in the transition quarter.

Approve a \$37 million increase for AID development programs
(State recommendation)

Disapprove (OMB recommendation)


