

FOR IMMEDIATE RELEASE

AUGUST 20, 1974

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE CONGRESS OF THE UNITED STATES:

In accordance with Section 812(d) of the Department of Defense Appropriation Authorization Act, 1974 (Public Law 93-155), I am pleased to submit a report to Congress on our progress toward offsetting the balance of payments deficit resulting from the deployment of U. S. forces in NATO Europe.

President Nixon reported to the Congress on May 16, 1974 that the offset agreement concluded in April 1974 with the Federal Republic of Germany had a dollar value of approximately \$2.22 billion over fiscal years 1974 and 1975. Of that amount, the fiscal year 1974 portion will total approximately \$1.1 billion and will be directly applicable toward meeting the requirements of Section 812.

Since President Nixon's last report, the NATO Economic Directorate has concluded a study showing the payments for military-related items from the United States by allies other than the Federal Republic of Germany should amount to approximately \$1 billion. When that amount is added to the fiscal year 1974 portion of the offset agreement with Germany, it becomes clear that the United States should be able to offset the \$2.1 billion military foreign exchange expenditures resulting from the deployment of our forces in NATO Europe during fiscal year 1974. Accordingly, I can report to the Congress that the requirements of Section 812 should be met.

GERALD R. FORD

THE WHITE HOUSE,
August 20, 1974

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