

CONFIDENTIAL

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President: Yes. The mayors said the same to me. But when we reduce Defense, they don't want contracts or bases cut from their area. Let's be ready with the data on the mayors, like where the Defense installations and contracts are. Ask them if their Defense share should be cut.

Mr. Ash: I will have data on how the Defense share has been declining.

Secretary Kissinger: Some of the groups most critical of Defense are also of detente. It would be disastrous to SALT if the Soviets saw our Defense budget going down unilaterally. We must not signal a declining Defense budget.

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Cabinet Mtg
26 Aug 74

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Ask Chart on line on Foreign air showed
Indo-China reconstruction and other foreign aid.
P We will make max effort to get under \$300 bil for 75

P Schmidt said he hoped we wouldn't do anything drastic
unilaterally. What did he mean.

Creasyman To a extent we can, we should cooperate with. We can't
be tied in our actions to a intl entity, but we
should attempt close coop.

K I don't know a ~~concrete~~ concrete, but Schmidt is an
thoughtful ally in Eur. He is convinced that a
whole western world is in a financial crisis.
I think you should proceed w/ him before taking
any ~~other~~ action - and at your level, I think he
would agree w/ what we want to do & I would see
any papers by him.

Ask Demarc

Logan All the managers & other local people will say take it
out of DOD & Foreign aid. We need talking points &
someone present to refute these

P Yes. Logan said & same to me. But when we release DOD,
they don't want contracts or losses cut from their area.
Let's be ready w/ data on managers like whether
DOD installations & contracts are ~~cost~~ them if their
~~the~~ DOD share should be cut

Ask I will have data on how DOD share has been declining

K Some of the groups most critical of DOD are also
critical of detente. It would be disastrous to SALT

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E.O. 12958, SEC. 3.5

NSC MEMO, 11/24/98, STATE DEPT. GUIDELINES

BY ld, NARA. DATE 3/24/04



if the same year our Def Budget going down
unintentionally. We must not signal a declining
Def budget.

