

MEMORANDUM FOR:

GEORGE SPRINGSTEEN
EXECUTIVE SECRETARY
DEPARTMENT OF STATE

NSC LOG # 750225 3

DOCUMENT DESCRIPTION:

TO: Sirimavo Bandaranaike

FROM: President

DATE: April 21 1975

SUBJECT: Thank you ltr

ACTION REQUESTED:

 DRAFT REPLY FOR: PRESIDENT'S SIGNATURE
 WHITE HOUSE STAFF SIGNATURE
 OTHER

 DIRECT REPLY FURNISH INFO COPY

XXX DISPATCH

 RECOMMENDATIONS/COMMENTS

 TRANSLATION

 APPROPRIATE HANDLING

 INFORMATION

 FOR ADDITIONAL PROCESSING AS INDICATED:

DUE DATE:

URGENT

ROUTINE

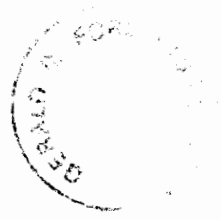
COMMENTS:

Christine Ligo
for JEANNE W. DAVIS
Staff Secretary

CLASSIFICATION

ANSC/S

Send green to
State for
pouching.



NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

URGENT VIA LDX
April 21, 1975

MEMORANDUM FOR GEORGE SPRINGSTEEN
 Executive Secretary
 Department of State

SUBJECT: Presidential Letter to Prime Minister Bandaranaike
 of Sri Lanka -- S/S 7507094

As recommended in S/S 7507094, the President has signed a letter to Prime Minister Bandaranaike of Sri Lanka. State should telegram the text of the President's letter (copy attached) to our Embassy in Colombo on an urgent basis (NIACT Immediate) since Secretary Simon is in Sri Lanka and -- as State has recommended -- may still be able to personally deliver the message.

The signed original will be forwarded separately for pouching.

Jeanne W. Davis
Staff Secretary

1D

THE WHITE HOUSE

WASHINGTON

April 21, 1975

Dear Madame Prime Minister:

Thank you for your very thoughtful letters of March 21 and March 24. I am pleased that our Government has been able to assist the people of Sri Lanka through the provision of economic and food assistance. I assure you that my Administration will do all it can to see that our relationship remains cordial. Americans feel a special kinship for Sri Lanka because of our shared democratic political traditions.

I read with great interest your observations on the drought in Sri Lanka and the rising cost of imported commodities. I am pleased that our economic and food assistance was helpful. Although budget and other uncertainties precluded our making a specific pledge at the recent Aid Group meeting in Paris, I assure you that within our financial and supply limitations we intend to continue to support Sri Lanka's efforts to deal with its economic problems. We have been impressed by the steps you have taken to move your nation toward self-sufficiency in basic foodstuffs. We share your hope that this goal can become a reality in the near future.

I want to take this opportunity to express my personal pleasure that Secretary of the Treasury Simon is able to visit Sri Lanka on his current trip. He carries with him my personal best wishes and my hopes for the continued friendship between our Governments and our peoples.

With warm best wishes,

Sincerely,

A handwritten signature in black ink, reading "Gerald R. Ford". The signature is written in a cursive style with a large, prominent "G" and "F".

Her Excellency
Sirimavo Bandaranaike
Prime Minister of the
Republic of Sri Lanka
Colombo

NATIONAL SECURITY COUNCIL

April 21

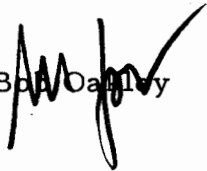
FOR JEANNE DAVIS

Jeanne,

The Presidential letter to Prime Minister Bandaranaike is finally signed and came through this morning. State would still like to have the text on the wires soonest since Secretary Simon will be in Sri Lanka through tomorrow.

I suggest the attached memo be LDXed to State immediately.

Bob Oatley



NATIONAL SECURITY COUNCIL

4/21

To NSC/S

For close-out
with file
on 2253.

Ldx was sent.

Rosemary

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

URGENT VIA LDX
April 21, 1975

MEMORANDUM FOR GEORGE SPRINGSTEEN
 Executive Secretary
 Department of State

SUBJECT: Presidential Letter to Prime Minister Bandaranaike
 of Sri Lanka -- S/S 7507094

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Jeanne W. Davis
Staff Secretary

14

THE WHITE HOUSE

WASHINGTON

April 21, 1975

Dear Madame Prime Minister:

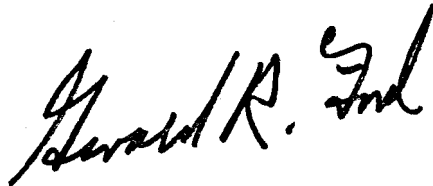
Thank you for your very thoughtful letters of March 21 and March 24. I am pleased that our Government has been able to assist the people of Sri Lanka through the provision of economic and food assistance. I assure you that my Administration will do all it can to see that our relationship remains cordial. Americans feel a special kinship for Sri Lanka because of our shared democratic political traditions.

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With warm best wishes,

Sincerely,

A handwritten signature in black ink, reading "Gerald R. Ford". The signature is written in a cursive style with a large, prominent "G" at the beginning and a stylized "Ford" at the end.

Her Excellency
Sirimavo Bandaranaike
Prime Minister of the
Republic of Sri Lanka
Colombo

THE WHITE HOUSE SITUATION ROOM

TIME SENT: WHITE HOUSE
SITUATION ROOM
1975 APR 21 AM 10:56

RECEIVED:
DEPARTMENT OF STATE
1975 APR 21 AM 11 03
[Signature]

LDX NR 343 PAGES 3

CIA _____ DIA/G _____
STATE [initials] DIA/H _____
NKCC _____ TREAS _____
ANMCC _____ NPIC _____
NSA _____

DESCRIPTION/COMMENT

FROM:

Rosemary

TO:

George Springsteen

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

13
ACTION
2253

April 19, 1975

MEMORANDUM FOR: THE PRESIDENT
FROM: HENRY A. KISSINGER *fk*
SUBJECT: Letters to You from Prime Minister
Bandaranaike of Sri Lanka

Mrs. Bandaranaike has written you two letters regarding US assistance for Sri Lanka. In the letter at Tab C, the Prime Minister expresses her deep appreciation for US food assistance under PL 480 this fiscal year. As it turned out, we were able to be more generous this year than in the past in dollar terms. Our \$25 million commitment was almost three times the amount expected by Sri Lanka at a time when that country's food problems have increased. Our food aid has always been taken as an expression of US interest in this small nation and Mrs. Bandaranaike sees this increase as an important contribution to the marked improvement in our relations, which she has helped to foster.

Mrs. Bandaranaike followed up with the letter at Tab B in connection with the annual World Bank Aid Group meeting on April 9, urging that the US make a generous pledge at that meeting for Sri Lanka. Mrs. Bandaranaike writes a similar letter every year at this time. We are planning to provide Sri Lanka a development loan of approximately \$8 million -- the same as last year -- and roughly the same amount of food aid. However, we did not announce this proposed pledge in Paris in order to encourage Sri Lanka to look primarily to its own domestic resources as the primary ingredient to its development program. The World Bank also feels that Sri Lanka needs to be encouraged to take further measures to increase savings and investment.

Mrs. Bandaranaike greatly values her personal ties with foreign leaders, and her 1971 White House visit was an important factor in motivating her to work toward improving our bilateral relations. Mrs. Bandaranaike's pro-US views represent a marked reversal of an earlier trend in her country's policies and her own thinking.

At Tab A is a suggested letter of reply expressing appreciation for her letters and understanding of Sir Lanka's problems. It does not specify aid levels but notes that the US will be as sympathetic as possible within the limits of our resources.

In the course of his current trip to the Soviet Union and South Asia, Secretary Simon will visit Sri Lanka April 21-22 -- the first high level U.S. official in some time. It would be a nice gesture if the Secretary could personally deliver your reply to the Prime Minister at that time.

RECOMMENDATION: That you sign the proposed letter to Prime Minister Bandaranaike at Tab A. [Paul Theis has cleared the text.]

APPROVE _____

DISAPPROVE _____

MEMORANDUM FOR: THE PRESIDENT

FROM: HENRY A. KISSINGER

**SUBJECT: Letters to You from Prime Minister
Bandaranaike of Sri Lanka**

Mrs. Bandaranaike has written you two letters regarding US assistance for Sri Lanka. In the letter at Tab C, the Prime Minister expresses her deep appreciation for US food assistance under PL 480 this fiscal year. As it turned out, we were able to be more generous this year than in the past in dollar terms. Our \$25 million commitment was almost three times the amount expected by Sri Lanka at a time when that country's food problems have increased. Our food aid has always been taken as an expression of US interest in this small nation and Mrs. Bandaranaike sees this increase as an important contribution to the marked improvement in our relations, which she has helped to foster.

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At Tab A is a suggested letter of reply expressing appreciation for her letters and understanding of Sri Lanka's problems. It does not specify aid levels but notes that the US will be as sympathetic as possible within the limits of our resources.

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RECOMMENDATION: That you sign the proposed letter to Prime Minister Bandaranaike at Tab A. [Paul Theis has cleared the text.]

APPROVE _____

DISAPPROVE _____



16
Retype - 4/18/75
Gen. Scowcroft/feb

ACTION
2253

Dear Madame Prime Minister:

Thank you for your very thoughtful letters of March 21 and March 24. I am pleased that our Government has been able to assist the people of Sri Lanka through the provision of economic and food assistance. I assure you that my Administration will do all it can to see that our relationship remains cordial. Americans feel a special kinship for Sri Lanka because of our shared democratic political traditions.

I read with great interest your observations on the drought in Sri Lanka and the rising cost of imported commodities. I am pleased that our economic and food assistance was helpful. Although budget and other uncertainties precluded our making a specific pledge at the recent Aid Group meeting in Paris, I assure you that within our financial and supply limitations we intend to continue to support Sri Lanka's efforts to deal with its economic problems. We have been impressed by the steps you have taken to move your nation toward self-sufficiency in basic foodstuffs. We share your hope that this goal can become a reality in the near future.



MEMORANDUM

NATIONAL SECURITY COUNCIL

ACTION
2253

April 14, 1975

MEMORANDUM FOR: SECRETARY KISSINGER
FROM: ROBERT B. OAKLEY *RO*
SUBJECT: Presidential Reply to the Annual Assistance
Letter from Prime Minister Bandaranaike
of Sri Lanka

Mrs. Bandaranaike has written the President two letters regarding US assistance to Sri Lanka. The first is a thank-you letter for US food assistance in FY 75. The second is her annual letter in support of a US pledge at the spring World Bank Aid Group meeting.

Attached at Tab I is a memo you could forward the President seeking his signature on a suggested reply to Mrs. Bandaranaike. If signed in time, Secretary Simon could deliver the text of the message personally to Mrs. Bandaranaike when he visits Sri Lanka April 21-22.

RECOMMENDATION: That you forward the memorandum at Tab I to the President recommending his signature on a letter of reply to Mrs. Bandaranaike [Paul Theis concurs in the text.]. If possible, this should be done expeditiously so that Secretary Simon could deliver the reply as State recommends (attached).

APPROVE

RO

DISAPPROVE _____



DEPARTMENT OF STATE

Washington, D.C. 20520

April 10, 1975

MEMORANDUM FOR LIEUTENANT GENERAL BRENT SCOWCROFT
THE WHITE HOUSESubject: Prime Minister Bandaranaike's
Letters on U.S. Aid

Secretary Simon is visiting Sri Lanka April 21-22 and we hope he can present the attached letter from the President when he meets Prime Minister Bandaranaike. The letter answers Mrs. Bandaranaike's messages of March 21 and 24 in which she expresses thanks for U.S. aid and requests a substantial U.S. aid pledge for FY 76 at the Paris Aid Group Meeting on April 9.

We have drafted a warm letter stressing continued U.S. friendship and the President's interest in good relations with Sri Lanka. Mrs. Bandaranaike values her personal ties with foreign leaders and she felt that her 1971 meeting with President Nixon was an important factor in improved U.S. relations with Sri Lanka. We think the proposed letter from the President will help to establish similar rapport.

The U.S. position at the Paris Aid Group April 9 Meeting is only partially responsive to Prime Minister Bandaranaike's request for a substantial U.S. pledge of assistance in FY 76. We are planning to provide a development loan of approximately \$8 million, and approximately 100,000 tons (\$18.4 million) of Title I PL 480 wheat flour, but we are not specifically pledging this aid at Paris. Our decision not to make a specific pledge is based on budget uncertainties but also is designed to encourage the Ceylonese to focus greater attention on efforts to stimulate domestic food production.

The Department would appreciate expeditious processing so that we can forward the text of the President's reply by pouch or cable in time for delivery April 21.



George S. Springsteen
Executive Secretary

Attachments:

1. Proposed letter from the President
2. Prime Minister Bandaranaike's letter of March 24
3. Prime Minister Bandaranaike's letter of March 21



Prime Minister
Sri Lanka

March 24 , 1975

Excellency,

I am writing to you in connection with the Sri Lanka Aid-Group Meeting to be held on the 9th of April, 1975.

The World Bank has recently reviewed the current economic situation in Sri Lanka. Their report, identifying the problems and the immediate needs of Sri Lanka's economy, has been circulated among countries of the Aid-Group.

As the World Bank reports indicate, our efforts to steer the economy of Sri Lanka on a path of rapid development consistent with our objectives of social justice, have been overwhelmed by factors beyond our control. The terms of trade have deteriorated alarmingly during the last few years. World market prices of our essential imports like food, fertilizer and oil have reached almost prohibitive levels. Unfavourable weather conditions in Sri Lanka have retarded agricultural production. Sri Lanka thus continues to require external economic assistance to sustain her economy and to support her economic development effort.

I am grateful for the generous assistance extended by your Government to Sri Lanka in the past. In view of the continuing need of Sri Lanka for additional foreign resources, I would appreciate it greatly if your Government would find it possible to make a pledge of substantial assistance at the forthcoming meeting of the Aid-Group.

With assurances of my highest consideration.

Sirima R.D. Bandaranaike

(Sirima R.D. Bandaranaike)

PRIME MINISTER

His Excellency Mr Gerald Ford,
President of the United States of America,
WASHINGTON



*Prime Minister
Sri Lanka*

Colombo, 21st March, 1975.

My dear President,

I have heard from your Ambassador in Sri Lanka as well as from our Ambassador in Washington that the United States Government has decided to allocate a sum of U.S. Dollars 24.5 million to Sri Lanka for the purchase of approximately 100,000 metric tons of wheat flour under PL 480.

I am writing to you to convey my personal appreciation and thanks as well as that of my Government for this important as well as timely gesture.

As you are aware Sri Lanka has been buffeted in recent years by the high prices of commodities which she imports, including food commodities, and has also been unfortunate to have had the experience of facing upto several years of partial drought within the last 5 years thus affecting considerably our capacity to feed ourselves adequately. We are at the moment facing one of the worst droughts in our recent history which has seriously affected the traditional rice growing areas of the country. We, therefore, expect a considerable reduction in our rice crop this year thus compounding our difficulties and placing an almost intolerable burden on our foreign exchange resources which have to be deployed to import more food. It is in this context that the decision of your Government has come as a welcome measure of relief to Sri Lanka.

We are also grateful for the assistance that the Government of the United States of America has given us in the matter of fertilizer in recent times. We are encouraged by this support to press on even more diligently to make ourselves self-sufficient in our basic food commodities, and I myself have taken the initiative to attend to this task inspite of the many set backs we have been receiving.

We look forward to the continued support of the United States of America in the task of development and reconstruction that we have undertaken in order to provide a better and happier life for our people.

May I once again thank you most sincerely,

With kind regards,

Yours sincerely,

Sri M. B. Bandaranaike

PRIME MINISTER.

His Excellency Mr. Gerald Ford,
President of the United States of America,
WASHINGTON.

SC CORRESPONDENCE PROFILE

DOC		RECD		LOG NBR		INITIAL ACTION O
MO	DA	MO	DA	HR		
4	10	9	10	19	7502253	<i>Osley</i>

SOURCE/CLASS/DESCRIPTION

TO: PRES _____ FROM: KISSINGER, H _____
 KISSINGER _____ COLBY, W _____
 SCOWCROFT *X* _____ SCHLESINGER, J _____
 DAVIS _____ ST EX SEC *X* _____

REFERENCE: 7507044
 CIRCLE AS APPROPRIATE: UNCLAS LOG IN/OUT
 LOU NO FORN NODIS
 C EYES ONLY EXDIS
 S CODEWORD
 TS SENSITIVE

SUBJECT: *Pres reply to Ltr from PM Bandaranaike of Sri Lanka re US aid & form assistance*

DISTRIBUTION/INITIAL ACTION ASGMT

INTERNAL ROUTING AND DISTRIBUTION			REC CY FOR
	ACTION	INFO	
ADVANCE CYS TO HAK/SCOWCROFT			
STAFF SECRETARY			
FAR EAST			
SUB-SAHARAN AFRICA			
MID EAST / NO. AFRICA / SO. ASIA	<i>X</i>		<i>X</i>
EUROPE / CANADA			
LATIN AMERICA			
UNITED NATIONS			
ECONOMIC			
SCIENTIFIC			
PROGRAM ANALYSIS			
NSC PLANNING			
CONGRESSIONAL			
OCEANS POLICY			
INTELLIGENCE			<i>X</i>

ACTION REQUIRED

MEMO FOR HAK (*X*)
 MEMO FOR PRES
 REPLY FOR
 APPROPRIATE ACTION
 MEMO _____ TO _____
 RECOMMENDATIONS
 JOINT MEMO
 REFER TO _____ FOR: _____
 ANY ACTION NECESSARY?
 CONCURRENCE
 DUE DATE: *4/20*

COMMENTS: (INCLUDING SPECIAL INSTRUCTIONS)

SUBSEQUENT ROUTING/ACTIONS

DATE	FROM	TO	S	SUBSEQUENT ACTION REQUIRED (OR TAKEN):	CY TO
<i>4/14/75</i>	<i>Osley</i>	<i>HAK</i>			
<i>4/14</i>		<i>HAK</i>	<i>X</i>	<i>Pres to Sp Ltr to Bandaranaike (4-21)</i>	
<i>4/19</i>		<i>Pres</i>	<i>P</i>	<i>re Ltr to Bandaranaike</i>	
<i>4/21</i>		<i>NSC/5</i>	<i>C</i>	<i>Pres exp Ltr to Bandaranaike</i>	
<i>4/21</i>		<i>State</i>		<i>In Dispatch</i>	

NSC/S INSTR DISP

DISPATCH *4/21/75 250 2/5 8/5*
 CY RQMTS: SEE ABOVE PLUS:
 NOTIFY _____ & DATE _____ BY _____
 SPECIAL DISPOSITION:
 CROSS REF W/ *X*
 SUSPENSE CY ATTACHED: _____ FOLDER: _____

MICROFILM & FILE RQMTS:	
M/F'D _____	BY _____
CRT ID: <i>1075</i>	SA SF
OPEN <i>NA</i>	HP NS
CLOSE <i>NA</i>	WH EP
	PA DY

24

THE WHITE HOUSE
WASHINGTON

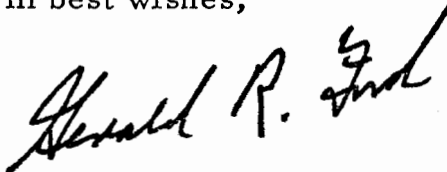
April 27, 1976

Dear Madame Prime Minister:

Thank you for your thoughtful message of April 12. I am pleased that the United States has been able to play a helpful role in the economic development of Sri Lanka, in the spirit of the warm friendship and mutual respect which exists between our Governments and our peoples.

I want to assure you that we will continue to give the requirements of Sri Lanka our close consideration this year. As you know, the United States has sought to work constructively with your Government in its development efforts and we expect to continue this support in the future. While we are still in the early stages of our fiscal year 1977 Congressional authorization and appropriation cycle, we hope to be as responsive in Paris as these limitations will permit.

With warm best wishes,



Her Excellency
Sirimavo Bandaranaike
Prime Minister of the Republic of Sri Lanka
Colombo



INTERNAL NSC ROUTING

28

108815
to state
by dis...
M

BARNES _____
BOVERIE _____
CLIFT _____
MOZELESKI _____
DAVIS _____ *
ELLIOTT _____
FARRAR _____
FRANZGER _____
HORAN _____
HORMATS _____
JANKA _____
KOW _____
OAKLEY _____
OBER _____
RATLIFF _____
SKANCKE _____
SOLOMON _____

TAYLOR _____
ADMIN _____
OTHER _____



(TURN THIS TAB UP TO MOVE
BACK TO THE SECRETARIAT)

CLASSIFICATION: _____

NATIONAL SECURITY COUNCIL
REFERRAL

Date: April 28, 1976
NSC log # 7602236

MEMORANDUM FOR:

George S. Springsteen
Executive Secretary
Department of State

DOCUMENT DESCRIPTION:

To: PM Bandaranaike
From: President
Date: Apr 27, 1976
Subject: Assistante to Sri Lanka

ACTION REQUESTED:

<input type="checkbox"/> Draft reply for:	<input type="checkbox"/> President's Signature
	<input type="checkbox"/> White House Staff
	<input type="checkbox"/> Other _____
<input type="checkbox"/> Direct reply	<input type="checkbox"/> Furnish info copy
<input checked="" type="checkbox"/> Dispatch	<input type="checkbox"/> Translation
<input type="checkbox"/> Recommendations / Comments	<input type="checkbox"/> Appropriate Handling
<input type="checkbox"/> Other	<input type="checkbox"/> Information

DUE DATE:

COMMENTS:

Charlotte D'Agostino
for Jeanne W. Davis
Staff Secretary

CLASSIFICATION: _____


THE WHITE HOUSE

WASHINGTON

ACTION

April 26, 1976

MEMORANDUM FOR: THE PRESIDENT

FROM: BRENT SCOWCROFT 

SUBJECT: Annual Letter from Prime Minister (Mrs.)
Bandaranaike of Sri Lanka on U. S. Economic
Assistance

Prime Minister (Mrs.) Bandaranaike of Sri Lanka has sent you the letter at Tab B urging that the U. S. be as generous as possible in its pledge of economic assistance at the forthcoming annual World Bank Aid Group meeting for Sri Lanka. It would be appropriate for you to reply to her message, as you did last year.

Mrs. Bandaranaike has written a similar letter every year at this time since she took office almost six years ago, to remind us of her needs and request that the U. S. continue to be helpful at the time the pledges are made at the annual Aid Group meeting. Our recent Congressional Presentation for Sri Lanka anticipated PL 480 Title I pledges of 100,000 metric tons of flour and \$8 million in development loans -- approximately the same levels of aid we provided last year. Mrs. Bandaranaike has been extremely appreciative of our past assistance.

Since it is early in our FY 77 planning and since Congress has not yet acted on your request, we will not be able to take a firm position at the Paris meeting. However, our representatives will review the figures cited in our Congressional Presentation as indicative of our objectives, which is of interest to the Sri Lankans mainly for their own planning purposes. The proposed reply for your signature at Tab A, therefore, simply indicates our willingness to be responsive without at this time committing us to specific levels.

RECOMMENDATION:

That you sign the letter to Mrs. Bandaranaike at Tab A. [Text coordinated with Mr. Hartmann's office (Mr. Smith).]

MEMORANDUM

NATIONAL SECURITY COUNCIL

LIMITED OFFICIAL USEACTION

April 22, 1976

MEMORANDUM FOR: BRENT SCOWCROFT

FROM: ROBERT B. OAKLEY

SUBJECT: Annual Letter from Prime Minister (Mrs.)
Bandaranaike on US Economic Assistance
for Sri Lanka

Tab I
+ H
retyped

Mrs. Bandaranaike has sent her annual letter to the President expressing the hope that the US will be as generous as possible at the upcoming World Bank Aid Group meeting for Sri Lanka. Our aid levels this year will probably be the same as last, although we are not now in a position to commit specific levels until Congress actually appropriates the funds requested in our recent presentation on the Hill.

The President owes a courtesy reply to the Prime Minister indicating our general interest in being as responsive as we can within the limits of our resources. He sent a similar letter last year.

Bureaucratically, there is a slight variance in the way in which State forwarded its proposed reply this year. State sent over a proposed cable for clearance (attached), evidently because the new desk officer did not understand that the President had previously signed a letter on green in reply (as has been done since 1970). Also, Mrs. Bandaranaike sent her message through her Ambassador here rather than sending a personal letter, but only because she was out of the country at the time. Since Mrs. Bandaranaike puts immense stock in the personal touch, I suggest we continue our past policy of having the President sign the green letter of reply. This is set up in the memo at Tab I which you could forward to the President.

[FYI: Ambassador Van Hollen has now extended the President's open invitation for an Official Visit and Mrs. Bandaranaike is absolutely delighted.]

RECOMMENDATION: That you forward the memo at Tab I to the President seeking his signature on a reply to Mrs. Bandaranaike. [Text coordinated with Mr. Hartmann's office and is essentially the same as that sent to us by State in the draft telegram].

APPROVE_____
AS AMENDED

Concurrence: Bob Hormats

OH



7607852

2236

DEPARTMENT OF STATE

Washington, D.C. 20520

April 15, 1976

UNCLASSIFIED

MEMORANDUM FOR MR. BRENT SCOWCROFT
THE WHITE HOUSE

Subject: Transmittal of Letter to the President from
Prime Minister Sirima Bandaranaike of Sri Lanka

Attached is a letter from Prime Minister Sirima Bandaranaike of Sri Lanka to the President making the annual appeal for a forthcoming stance at the Sri Lanka aid consortium meeting (April 27). A draft reply is attached indicating sympathetic consideration but making no commitments.

h/ *George S. Springsteen*
George S. Springsteen
Executive Secretary

Attachments:

1. Letter from Prime Minister Bandaranaike
2. A Draft Reply

UNCLASSIFIED

26

LIMITED OFFICIAL USE

NEA/INS:AATHIBAULT,JR.:JES
4/14/76 EXT: 22307
NSC:

NEA/INS:DKUX
AID/ASIA/SA:JECOLAS

NEA:ADUBS
S/S:

IMMEDIATE COLOMBO

E.O. 11652: N/A

TAGS: EAID, CE

SUBJECT: PRESIDENT'S REPLY TO PRIME MINISTER BANDARANAIKE

1. PLEASE FORWARD FOLLOWING MESSAGE FROM THE PRESIDENT TO PRIME MINISTER BANDARANAIKE: QUOTE: DEAR MADAM PRIME MINISTER: THANK YOU FOR YOUR MESSAGE OF APRIL 12 CONCERNING THE UPCOMING MEETING OF THE SRI LANKA AID GROUP.

2. YOU CAN BE ASSURED THAT WE WILL GIVE SRI LANKA'S REQUIREMENTS OUR CLOSE CONSIDERATION. AS YOU KNOW, THE UNITED STATES HAS SOUGHT TO WORK WITH SRI LANKA IN ITS DEVELOPMENT EFFORTS AND WE EXPECT TO CONTINUE THIS SUPPORT IN THE FUTURE. WE ARE STILL AT AN EARLY STAGE IN OUR FISCAL YEAR 1977 APPROPRIATION AND PLANNING CYCLE BUT WE HOPE TO BE AS RESPONSIVE IN PARIS AS THESE LIMITATIONS PERMIT US TO BE.

3. PLEASE ACCEPT, MADAM PRIME MINISTER, THE ASSURANCES OF MY HIGHEST CONSIDERATION. SINCERELY, GERALD R. FORD. END QUOTE.

4. FOREGOING IS IN RESPONSE TO PRIME MINISTER'S MESSAGE CONVEYED TO ASSISTANT SECRETARY ATHERTON BY AMBASSADOR KANAKARATNE. SEPTEL FOLLOWS WITH TEXT. 44

NSC
AAT *Ad*
DK *Ad*
AD *Ad*
JEC *Ad*
S/S

7607852

LIMITED OFFICIAL USE



24

THE AMBASSADOR OF SRI LANKA

WASHINGTON, D. C.

April 12, 1976.

My dear Mr. President,

I have been instructed by my Prime Minister to convey the following message to you :-

" Your Excellency,

I am writing to you in connection with the Sri Lanka Aid Group Meeting scheduled to be held on April 27th 1976.

The economy of Sri Lanka has recently been reviewed by the World Bank, and their Economic Memorandum, which identifies the present problems, and the immediate need for Sri Lanka's economy, has already been circulated among the member countries of the Sri Lanka Aid Group.

It is gratifying to note that, despite many obstacles, Sri Lanka has been able to achieve a measure of success in her effort to develop the economy in a manner consistent with our political and social objectives. Within a few years, we have been able to bring down the population growth to a very satisfactory level. A marginal improvement in the growth rate and a more equitable distribution of income, with equality of opportunity, have been realized. These successes, though far from adequate, were possible through the generous assistance from countries such as yours.

With the external assistance received, a more impressive performance would have been possible had it not been for certain unfavourable conditions which were beyond our control. As is evident from the World Bank Economic Memorandum, for some years now, our terms of trade have been deteriorating alarmingly and the prices of our essential imports have reached a prohibitive level. The consequent widening of the external resource gap has acted as a severe constraint on the growth of our economy.

.../...

We have taken all possible measures within our means to steer the economy on the path of rapid development. A policy reorientation which is more favourable to rapid economic growth has been initiated and plans for a number of major development projects are being worked out. However, in view of our deteriorating balance-of-payments position, continued success in our effort would require a substantial amount of external assistance, particularly in the form of Commodity Aid.

Your Government has been generous in giving us sustained assistance in the past, for which I am most grateful. In view of Sri Lanka's continuing need for external assistance, I would appreciate it greatly if your Government would find it possible to make a pledge of substantial assistance at the forthcoming meeting of the Aid Group.

With assurances of my highest consideration.

Sirima R. D. Bandaranaike

Prime Minister of Sri Lanka. "

Yours sincerely,

Neville Kanakarathne

Neville Kanakarathne.

The President
The White House
Washington D.C.

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The President
The White House
WASHINGTON D.C.



Dear Madame Prime Minister:

Thank you for your thoughtful message of April 12. I am pleased that the United States has been able to play a helpful role in the economic development of Sri Lanka, in the spirit of the warm friendship and mutual respect which exists between our Governments and our peoples.

I want to assure you that we will continue to give the requirements of Sri Lanka our close consideration this year. As you know, the United States has sought to work constructively with your Government in its development efforts and we expect to continue this support in the future. While we are still in the early stages of our fiscal year 1977 Congressional authorization and appropriation cycle, we hope to be as responsive in Paris as these limitations will permit.

With warm best wishes,

**Her Excellency
Sirimavo Bandaranaike
Prime Minister of the Republic of Sri Lanka
Colombo**



ACTION

MEMORANDUM FOR: THE PRESIDENT

FROM: BRENT SCOWCROFT

SUBJECT: Annual Letter from Prime Minister (Mrs.)
Bandaranaike of Sri Lanka on U. S. Economic
Assistance

Prime Minister (Mrs.) Bandaranaike of Sri Lanka has sent you the letter at Tab B urging that the U. S. be as generous as possible in its pledge of economic assistance at the forthcoming annual World Bank Aid Group meeting for Sri Lanka. It would be appropriate for you to reply to her message, as you did last year.

Mrs. Bandaranaike has written a similar letter every year at this time since she took office almost six years ago, to remind us of her needs and request that the U. S. continue to be helpful at the time the pledges are made at the annual Aid Group meeting. Our recent Congressional Presentation for Sri Lanka anticipated PL 480 Title I pledges of 100,000 metric tons of flour and \$8 million in development loans -- approximately the same levels of aid we provided last year. Mrs. Bandaranaike has been extremely appreciative of our past assistance.

Since it is early in our FY 77 planning and since Congress has not yet acted on your request, we will not be able to take a firm position at the Paris meeting. However, our representatives will review the figures cited in our Congressional Presentation as indicative of our objectives, which is of interest to the Sri Lankans mainly for their own planning purposes. The proposed reply for your signature at Tab A, therefore, simply indicates our willingness to be responsive without at this time committing us to specific levels.

RECOMMENDATION:

That you sign the letter to Mrs. Bandaranaike at Tab A. [Text coordinated with Mr. Hartmann's office (Mr. Smith).]



MEMORANDUM

THE WHITE HOUSE
WASHINGTON

ACTION

MEMORANDUM FOR: THE PRESIDENT

FROM: BRENT SCOWCROFT

SUBJECT: Annual Letter from Prime Minister
(Mrs.) Bandaranaike of Sri Lanka on
US Economic Assistance

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THE WHITE HOUSE
WASHINGTON

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With warm best wishes,

Her Excellency
Sirimavo Bandaranaike
Prime Minister of the Republic of Sri Lanka
Colombo



NSC CORRESPONDENCE PROFILE

DOC		RECD			LOG NUMBER	
MO	DA	MO	DA	HR		
4	15	4	15	19	760 22 36	

INITIAL ACTION O
Oakley

SOURCE/CLASS/DESCRIPTION

TO: PRES _____ FROM: SECSTATE _____ S/S *7607852* UNCLAS LOG IN/OUT
 SCOWCROFT SECDEF _____ LOU NO FORN MODIS
 HYLAND _____ DCI _____ X REF _____ C EYES ONLY EXDIS
 DAVIS _____ STATE EXSEC S CODEWORD
 OTHER *Bandaranaike, S* TS SENSITIVE

SUBJECT: *Ack ltr to Pres fm PM Bandaranaike of Sri Lanka re US position at aid consortium mtg on 27 Apr 1976*

DISTRIBUTION/INITIAL ACTION ASGMT

INTERNAL ROUTING AND DISTRIBUTION					REC CY FOR	ACTION REQUIRED
	ACTION	CONCURRENCE	COORDINATE	INFO		
ADV CYS SCROFT/WGH						MEMO FOR SCOWCROFT. <input checked="" type="checkbox"/>
STAFF SECRETARY						MEMO FOR PRES. _____
CONGRESSIONAL						REPLY FOR _____
ECONOMIC					<i>to</i>	APPROPRIATE ACTION. _____
EUR/CANADA/OCEANS						MEMO _____ TO _____
FAR EAST/PRC						RECOMMENDATIONS. _____
INTELLIGENCE						JOINT MEMO. _____
LATIN AMERICA						REFER TO _____ FOR: _____
MID EAST/NO. AFRICA	<input checked="" type="checkbox"/>				<i>to</i>	ANY ACTION NECESSARY? _____
NSC PLANNING						CONCURRENCE. _____
PROGRAM ANALYSIS						DUE DATE: <i>4/22</i>
SCIENTIFIC						COMMENTS: (INCLUDING SPECIAL INSTRUCTIONS)
SUB SAH/AFRICA/UN					<i>to</i>	

Sound, m
cy (w#) in & out only

SUBSEQUENT ROUTING/ACTIONS

DATE	FROM	TO	STATUS	SUBSEQUENT ACTION REQUIRED (OR TAKEN):	DUE	CY TO
<i>4/22</i>	<i>Oakley</i>	<i>Davis</i>				
<i>4/22</i>	<i>Scowt</i>	<i>X</i>		<i>Pres to sign ltr to Bandaranaike (4/28)</i>		
<i>4-26</i>	<i>Plus</i>			<i>Sign ltr to Bandaranaike</i>		
<i>4-27</i>	<i>NSC/S</i>			<i>Pres sign ltr to Bandaranaike</i>		
<i>4/28</i>	<i>Davis</i>	<i>S</i>		<i>Review prior to dispatch 4/29</i>		
<i>4/28</i>	<i>State</i>	<i>C</i>		<i>In Dispatch</i>		

NSC/S INSTR

DISPATCH *See 5/5 4/27/76* NOTIFY _____

SPECIAL DISPOSITION: _____

SPECIAL INDEXING: _____

SUSPENSE CY ATTACHED

MICROFILM & FILE ROOMS

M/F'D _____ BY _____

CRT ID: *3176* NS DY
 OPEN *AMJ* WH SA FP
 CLOSE *JB* PA