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OLC 74-1869 WITHWAL USE CHLY 19 August 1974

MEMORANDUM FOR THE RECORD

SUBJECT: Legislative Interdepartmental Group Meeting, 19 August 1974

1. On Monday, 19 August 1974, I attended a meeting of the Legislative Interdepartmental Group (LIG) in the Roosevelt Room of the White House from 1500 hours until 1620 hours. Tom Korologos chaired in the absence of Bill Timmons, who was travelling with the President. Those present also included:

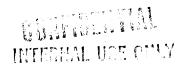
Max Friedersdorf and Pat O'Donnell, White House
Congressional Liaison staff
Assistant Secretary Linwood Holton, with aide, State
Department
Assistant Secretary Jack M. Maury, with aides, Defense
Department
Matthew Harvey, AID
Dick Kennedy and Robert McFarlane, National Security Council
Stan Ebner and B. A. Bridgewater, OMB
Representative of USIA

2. General.

- a. Tom Korologos said we will have to play "catch up ball" until the new Administration settles down and it is more important than ever to close all loops, coordinate with sister agencies, and tie-in back to the White House legislative group in the event we get queries from some of the new players. While the new theme obviously is compromise, that doesn't mean sell out, and we should assume unless we hear to the contrary that all existing positions on legislation are fundamentally sound.
- b. Bridgewater recommended that the President spend an hour and a half or so with the leadership to review concepts and reopen communications on Congress' legitimate interest in the foreign affairs

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area, and the desirability of flexibility for the President as contrasted with the restrictive measures on executive action being enacted and proposed within the Congress. All concurred this was the first order of business.

- 3. Foreign Assistance Act. There was a review and discussion of about a dozen troublesome items in the legislation, including:
 - a. <u>Indochina Funding Levels</u>. Holton made a strong case against imposing country levels in legislation which inevitably leads to the development of country lobbies. The President and the Secretary of State should make appropriate contacts on the Hill.
 - b. <u>Cambodia Personnel Ceiling</u>. Although it was agreed that the principle of such a ceiling was objectionable, AID and State claimed that this was not a high-priority item, and we should not use up too many chips on this issue.
 - c. Phase-out of Military Missions.
 - d. Cost Reduction of Military Missions.
- e. Elimination of Authority to Draw Down DOD Stocks. Korologos

 pointed out the f such a provision had been in existence during the October Mideast war.
 - f. Redefinition of Excess Defense Articles.
 - g. Military Aid to Korea.
 - h. Arm Sales Command Channels.
 - i. Interest Rates on Credit Sales.
 - j. Restrictions on Aid to Chile. Korologos juxtaposed the assistance Peru is receiving.
 - k. Striking Presidential Waiver Authorities.

COMMENSAMI

- 1. Police Training. I advised of our information that the amendment by Senator James Abourezk (D., S. Dak.), which would have impaired our functioning, had been narrowed down by the Committee to apply only to funds authorized under the foreign assistance bill, although this, of course, did not help AID, and that this favorable action may well have been taken as a result of the Director's letter to Senator J. W. Fulbright (D., Ark.). I reported speculation that Representative Michael Harrington (D., Mass.) would propose a similarly broad amendment in House committee, but that he had been soundly defeated on a proposal concerning the Agency's covert action and may be deterred from introducing similar amendments. Harvey of AID said Harrington had "shot his wad" on the bill.
- 4. DOD Appropriations. It was reported that the bill probably will come up this week, but that Senator John Tower (R., Tex.) is nervous that it may be moving too fast, and that it may be best to defer it until after the recess. said there was something to this; Holton's rejoinder was that one seldom comes back from visiting his constituents with a message to vote more money, but then agreed with sobservation that the members most likely will be returning with the definite message that the public wants Congress to support the President, and this would help sustain the President's position with respect to the bill.
 - a. \$\frac{\$5\text{ billion Senate cut.}}{\text{Cut.}}\$ The President had attempted to persuade Senators John L. McClellan (D., Ark.) and Milton R. Young (R., N. Dak.) that the cut was too deep, without success. DOD is quite confident that in conference they can recoup back one-half of the difference between the \$5\text{ billion Senate cut and the \$3.6\text{ billion}}\$ House cut.
 - b. \$700 million MASF ceiling. The tactic, as in the case of the budget cut, will be strictly defensive to stave off any further cuts. Senator William Proxmire (D., Wis.) may move to cut the MASF ceiling to \$550 or \$500 million. Apparently Senator John C. Stennis (D., Miss.) would support a supplemental in January 1975. At present, even with the stepped-up North Vietnamese activities, some important sentiment is running against further aid. Some have even cited the stepped-up activity as evidence that we ought to get out completely. Congress will be influenced by the situation in Vietnam at the time the supplemental is submitted.

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- c. Troop Reduction of 25,000. Senators Mike Mansfield (D., Mont.), Hubert H. Humphrey (D., Minn.), or others may propose a greater troop cut, and Maury is preparing papers to be used to oppose a 75,000; 50,000; and 25,000 troop cut.
- d. Miscellaneous. In regard to the reduction of RDT&E, efforts with Senator McClellan would be counterproductive, but there is some hope that Senator Thomas J. McIntyre (D., N. H.) might be helpful. The problem, as explained, is that the Committee lumped together a large number of small, worthwhile programs, believing that it was one large program and could stand the reduction. Finally, a "Dear Colleague" letter is being circulated to impose a \$295 billion overall spending limit.

5. State Authorization.

- a. Base Agreements. Quick Senate action on that bill with its assorted amendments was due to the presence of the Russian parliamentarians and a wish to impress them that the Congress can move fast. Chairman Wayne L. Hays (D., Ohio), Subcommittee on State Department Organization and Foreign Operations, House Foreign Affairs Committee, has promised that the Committee would report out a clean bill, and was confident he could eliminate the Senate amendments except for the Clifford P. Case (R., N. J.) amendment requiring congressional approval of base agreements involving military personnel strength of 500 or more. If passed, Holton would recommend a veto. It is counterproductive to approach Case, as he is wedded to the concept.
- b. Role of the Ambassador. Korologos said the most pressing problem was the role of the ambassador amendment, and I reported our conversation with Hays this morning and work with Al Westphal, Foreign Affairs Committee staff, and Congressmen Peter H. B. Frelinghuysen (R., N. J.), Dante B. Fascell (D., Fla.), and Vernon W. Thomson (R., Wis.). McFarlane cautioned that we not compromise on principle, and I said we were only talking about a back-up position in the event an amendment is proposed and cannot be defeated on the floor, and that the constitutional argument against the proposition appeared to appeal to Hays.

- c. <u>Cuba</u>. Korologos tried to get a sense of the group on the provision dealing with the review of U. S. policy toward Cuba, but the only statements hedged.
- d. Rhodesian Chrome. Apparently there is a paper on the President's desk pointing out the adverse affects of our policy, but that past failures to repeal the Byrd amendment have not led to disastrous results.
- 6. Miscellaneous. Export-import legislation was raised, but interested no one. Also reported that the Navy was terribly unhappy about the 200-mile territorial limit proposed in the bill by Senator Warren G. Magnuson (D., Wash.) and read from a message from Senator Ted Stevens (R., Alaska), one of the advisers to the U. S. delegation to the United Nations Law of the Sea Conference, alarmed over the adverse impact on the Conference of any action on the bill, and requesting that Senate Foreign Relations Committee members be alerted. The bill is now bottled up for the duration of the Conference by joint referral to the Senate Foreign Relations Committee, where it will repose for at least 21 days.

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