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INTERNATIONAL SECURITY AFFAIRS

ASSISTANT SECRETARY OF DEFENSE OFFICE OF THE SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

8 OCT 1981

5 OCT 1981

Sec Def Has Seen

In reply refer to: 1-03914/81

ISRAEL

MEMORANDUM FOR THE SECRETARY OF DEFENSE THE DEPUTY SECRETARY OF DEFENSE

SUBJECT: Israeli Request for U.S. Aid in FY 83--INFORMATION MEMORANDUM (U)

The Government of Israel provided to DSAA on September 18, 1981 a copy of its annual request and justification for U.S. financial aid. The Israelis are asking for \$1.9 billion in FMS credits - half forgiven - and \$1.1 billion in economic assistance, for a total of \$3.0 billion, in FY 83. For FMS credits, this would be an increase of 36% over the \$1.4 billion they are to get in FY 82. The request also suggests that we let them spend \$150 million of the credits in Israel to make purchases from Israeli defense industries.

Personal
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file

We are currently conducting a thorough analysis of the Israeli request. I will keep you apprised. At this point, the FY 83 proposals at DoD and State staff levels are \$1.7 billion in FMS credits, of which \$500 million will be forgiven, and \$785 million ESF. These proposals and other options will be subject to your review near the end of the month.

Copy to: USDP

FRANCIS J. WEST, JR.
ASSISTANT SECRETARY OF DEFENSE
(INTERNATIONAL SECURITY AFFAIRS)

Office of the Secretary of Defense
Chief, RDD, ESD, WHS
Date: 27 JUL 2018 Authority: EO 13526 + 5 USC 5552
Declassify: X Deny in Full: _____
Declassify in Part: _____
Reason: _____
MDR: 18 -M- 1197

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Authority: EO 13526
Chief, Records & Declass Div, WHS
Date: JUL 27 2018

(5 OCT 81)

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