

February 6, 1948

My dear Senator Vandenberg:

I am now able to give you an estimate of the total amount for which the Congress may be asked to authorize appropriations for foreign financial assistance to cover the remainder of fiscal year 1948 and fiscal year 1949. The estimate follows and you will note that it contains certain items which are already before the Congress.

	<u>Included in President's Budget of Appropriations</u>	<u>Additions to President's Budget of Appropriations</u>
European Recovery Program	\$6,800 millions	
Government and Relief in Occupied Areas	1,400 millions	
Philippine War Damage, Rehabilitation and Veterans Benefits	133 millions *	
Other Foreign Aid (in- cluding China)	<u>750</u> millions	(around) <u>\$ 250</u> millions
	<u>\$9,083</u> millions	<u>\$ 250</u> millions
TOTAL		<u>\$9,333</u> millions

* Appropriation request for fiscal year 1949 authorized by P.L. 370 (79th Congress)

I have indicated that total "Other Foreign Aid" estimated requests for authorizations will be "around" one billion dollars

because

The Honorable
Arthur H. Vandenberg,
Chairman,
Senate Foreign Relations Committee.

because it is not possible to determine the total of this item with finality at this time. This is due to the fact that the various programs in this category have not been fully cleared and screened in the Executive Branch. The proposed programs included in this item are China Aid, Greek-Turkish Military Aid, Army Request for Japanese-Korean Reconstruction, Inter-American Military Cooperation and Trieste Aid. Work on the China program has progressed sufficiently so that I can indicate the probable amount of the request for this program at about \$570 million though I should like to emphasize that this does not represent an official request approved by the President. As to the other programs mentioned, I cannot yet give you an estimated breakdown but, as indicated, my best present judgment is that they will total slightly under \$500 million. I shall, of course, be glad to furnish more detailed and definite figures later when I am in a position to do so.

I trust this information will be helpful to you.

Sincerely yours,

Lewis W. Douglas