

~~SECRET~~ SECURITY INFORMATION

U. S. S. WILLIAMSBURG

U. S. Naval Gun Factory

WH 838
WHITE 40

WASHINGTON 25, D. C.

281720Z

28 NOVEMBER 1951

FROM: ACTING SECRETARY OF STATE, HONORABLE JAMES E. WEBB

TO : THE PRESIDENT OF THE UNITED STATES

MEMORANDUM FOR THE PRESIDENT

SUBJECT: ECONOMIC ASSISTANCE FOR FRANCE.

IN A MEMORANDUM OF NOVEMBER 19, 1951, I TRANSMITTED TO YOU A REPORT FROM SECRETARY ACHESON REGARDING FRENCH REQUIREMENTS FOR ECONOMIC ASSISTANCE. A FURTHER REPORT IS CONTAINED IN THE ATTACHED TELEGRAM 3049 FROM PARIS OF NOVEMBER 21. THIS TELEGRAM REFLECTS THE VIEW OF OUR NEGOTIATORS IN PARIS THAT NOT MORE THAN \$130 MILLION WOULD HAVE TO BE TRANSFERRED FROM MILITARY END-ITEM AID FOR USE AS ECONOMIC ASSISTANCE, RATHER THAN THE ESTIMATED NEED TO TRANSFER \$150 TO \$300 MILLION CONTAINED IN THE LAST PARAGRAPH OF MY MEMORANDUM.

SIGNED JAMES E. WEBB
ACTING SECRETARY

ENCLOSURE:

PARIS TELEGRAM 3049
NOVEMBER 21, 1951
FROM: PARIS
TO : SECRETARY OF STATE

DECLASSIFIED
E.O. 12065, Sec. 3-402
State Dept. Guidelines, March 6, 1982
By ALC NLT, Date 3-16-87

FOR WEBB FROM ACHESON AND HARRIMAN.

REFERRING DEPTTEL 2999, COMMITMENT GIVEN FRENCH AT MTG PLEVEN ON FRIDAY MORNING (EMBTTEL 2967) WAS ASSURANCE THAT \$600 MILLION (EXCLUDING POSSIBLE \$50 MILLION EXIM BANK COTTON LOAN) OF EXPENDITURES WOULD BE ACHIEVED IN FRANCE BEFORE JUNE 30, 1952, THROUGH ONE MEANS OR ANOTHER, PROVIDED FRENCH DID NECESSARY THINGS WITH RESPECT TO BASES AND OTHER FACILITIES, AND ON ASSUMPTION FRENCH COME UP WITH ADEQUATE CONTRIBUTION TO DEFENSE OF WEST EUR WITHIN THE OVERALL NATO FRAMEWORK BEING DEVELOPED BY TCC AND CONTINUE INDOCHINA EFFORT. NO (RPT NO) INDICATION GIVEN RE SPECIFIC BREAKDOWN OF FIGURE, BUT UNDERSTANDING ON US SIDE WAS THAT IT MIGHT POSSIBLY BE \$300 MILLION ECON AID AND \$300 MILLION US MILITARY EXPENDITURES. OUR VIEW WAS THAT TO EXTENT MILITARY EXPENDITURES SHLD EXCEED \$300 MILLION, WE CLD REDUCE ECON AID FIGURE. IT WAS NOT (RPT NOT) CONTEMPLATED BY US THAT ECON AID WLD EXCEED \$300 MILLION. CONSEQUENTLY DO NOT (RPT NOT) ENVISAGE ASKING FOR TRANSFER TO FRANCE UNDER SECTION 101 (B) OF

~~SECRET~~



~~SECRET~~

U. S. S. WILLIAMSBURG

U. S. Naval Gun Factory
WASHINGTON 25, D. C.

PAGE 2

MORE THAN \$130 MILLION AND THEN ONLY ON CONDITIONS AND ASSUMPTIONS SET FORTH ABOVE.

ANY ACTION WITH RESPECT TO A POSSIBLE TRANSFER SHLD BE HELD IN ABEYANCE PENDING FURTHER WORD FROM MR. HARRIMAN, WHICH WILL FOLLOW DISCUSSION BETWEEN HIM AND SECY DEF.

PLS BRING THIS TO PRESIDENT'S ATTENTION.

ACHESON

END OF ENCLOSURE

PARAPHRASE NOT REQUIRED. CONSULT CRYPTOCENTER BEFORE DECLASSIFYING.

This message requires storage in accordance with Article 0816 of USN Security Manual for classified matter (Opinst 511.1)



~~SECRET~~