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E.O. 12958, as amended, Sect 3.5

NSC/Soubers to Smith 09/06/2002

By Agc Date 02/13/07

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

~~SECRET/NODIS~~

March 5, 1970

National Security Decision Memorandum 46

TO: Chairman, NSC Under Secretaries Committee

SUBJECT: Jet Aircraft for Latin America

With reference to your memoranda of February 2 and 20 and NSDM 42, the President has made the following additional decisions:

1. He approves your recommendation that he agree in principle to waive the aid penalty provision of Section 119 of the Foreign Assistance Act should Chile, Colombia or Brazil decide to purchase A-4 or F-5 aircraft.
2. He authorizes the Under Secretaries Committee to arrange for appropriate consultation with the Congress to inform it of the decision to sell A-4B's to Argentina for cash, our standing offer to sell A-4's and F-5's to the other countries concerned, the President's willingness to waive the penalty provisions of Section 119 if they avail themselves of our offer, and the reasons for these decisions. Tactics and timing are to be determined by the Committee.
3. He does not wish to take the additional step of waiving the credit restrictions in the Foreign Military Sales Act at this time. He wishes the Congress consulted on this problem. He therefore asks that in conjunction with the consultations referred to in paragraph 2 above, consultations also be held with an appropriate cross-section of the Congress to explain the problems presented by the credit restriction in the Foreign Military Sales Act, and the fact that waiver of that restriction is being contemplated as the best way to resolve those problems. You should report to the President the results of those consultations and the Committee's recommendation in the light thereof.

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4. He directs the Under Secretaries Committee to plan for and undertake a major effort to amend both Conte provisions appropriately so as to provide a permanent solution to the problems continually being raised by the restrictions. The tactics and timing are to be determined by the Committee, in consultation with the White House Congressional Liaison Office, but you should keep the President informed of what is being done.



Henry A. Kissinger

cc: The Deputy Secretary of Defense
The Director of Central Intelligence
The Chairman, Joint Chiefs of Staff