THE WHITE HOUSE
WASHINGTON

January 21, 1969

National Security Study Memorandum 4

TO: The Secretary of State
   The Secretary of Defense
   Director of the Bureau of the Budget
   Administrator of the Agency for
      International Development
   President of the Export-Import Bank

SUBJECT: U.S. Foreign Aid Policy

The President has directed the preparation of a paper on
U.S. foreign aid policy for NSC consideration. The paper should
consider alternative strategies for overall U.S. policy and include
analysis of the political aspects of aid, the costs and benefits of
different types of aid, and the costs and benefits of different aid
levels.

To prepare the paper, the President has directed the creation
of an Ad Hoc Working Group chaired by the Deputy Under Secretary
of State for Economic Affairs, and to include the Deputy Adminis-
trator of AID, the Assistant Secretary of Defense for International
Security Affairs, the Assistant Secretary of the Treasury for Inter-
national Affairs, the Assistant Secretary of Agriculture for Inter-
national Affairs, appropriate representatives from the Bureau of
the Budget and the Export-Import Bank, a member of the NSC staff,
and/or their alternates. As appropriate, the chairman of the
Working Group may invite other agencies to send representatives
to specific meetings.

The report of the Group shall be forwarded to the NSC Review
Group by March 15, 1969.