

THE WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

INCOMING

C0074

DATE RECEIVED: SEPTEMBER 12, 1991

NAME OF CORRESPONDENT: THE HONORABLE JOHN L. MARTIN

SUBJECT: URGES THE PRESIDENT'S SUPPORT FOR THE U.S.
TO GUARANTEE OR CO-SIGN \$10 BILLION IN LOANS
ISRAEL WILL GET FROM AMERICAN BANKS TO ASSIST
IN ABSORBING SOVIET AND ETHIOPIAN REFUGEES

		ACTION		DISPOSITION	
ROUTE TO:		ACT	DATE	TYPE	C COMPLETED
OFFICE/AGENCY	(STAFF NAME)	CODE	YY/MM/DD	RESP	D YY/MM/DD
MARY MCCLURE		ORG	91/09/12	mm	4 91/09/12
REFERRAL NOTE:					
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COMMENTS: WRITER IS ALSO PRESIDENT, NATIONAL CONFERENCE
OF STATE LEGISLATURES

ADDITIONAL CORRESPONDENTS: MEDIA:L INDIVIDUAL CODES: 2200 4900

IG MAIL USER CODES: (A) (B) (C)

*ACTION CODES:	*DISPOSITION	*OUTGOING	*
*	*	*CORRESPONDENCE:	*
*A-APPROPRIATE ACTION	*A-ANSWERED	*TYPE RESP=INITIALS	*
*C-COMMENT/RECOM	*B-NON-SPEC-REFERRAL	*OF SIGNER	*
*D-DRAFT RESPONSE	*C-COMPLETED	*CODE = A	*
*F-FURNISH FACT SHEET	*S-SUSPENDED	*COMPLETED = DATE OF	*
I-INFO COPY/NO ACT NEC		*OUTGOING	*
*R-DIRECT REPLY W/COPY *			*
*S-FOR-SIGNATURE			*
*X-INTERIM REPLY			*

REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE
(ROOM 75, OEOB) EXT-2590
KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING
LETTER AT ALL TIMES AND SEND COMPLETED RECORD TO RECORDS
MANAGEMENT.

THE WHITE HOUSE
WASHINGTON

September 20, 1991

Dear Speaker Martin:

On behalf of President Bush, thank you for your recent correspondence urging the United States government to guarantee \$10 billion in additional loans to help Israel facilitate absorption of its many Soviet and Ethiopian emigrants.

The Bush Administration has always supported the liberation of Jews, emigration to Israel, and Israel's national security. As the President noted in his press conference of September 12, just recently American men and women in uniform risked their lives to defend Israelis in the face of Iraqi Scud missiles. In addition, despite our economic problems, the United States has provided Israel with more than \$4 billion in economic and military aid, as well as \$400 million in loan guarantees to facilitate emigrant absorption.

As you highlighted in your letter, Americans are concerned about an increase in foreign aid during these rough economic times. The President agrees that not only are loans to Israel in the interest of our national security but they have proven to be financially beneficial in the long run.

However, President Bush has asked Congress to delay for 120 days consideration of Israel's request for \$10 billion in additional loan guarantees. He did so in the interest of peace. As a result of Secretary Baker's efforts, the United States is close to launching a direct peace conference between Israel and the Arab states. The President believes that he must deter any unnecessary debate which might hinder our government's ability to bring all parties to the peace table.

This postponement is not meant to oppose United States' support for the liberation of the Soviet and Ethiopian emigrants, or Israel's national mandate in any way. The President will continue to play a key role in preserving a strong and secure Israel. The request for delay does not foreshadow any action he might take in January.

The President recognizes that people of good will disagree on issues as difficult and complex as this, and he appreciates your sharing your views with him.

Sincerely,

A handwritten signature in cursive script, reading "Mary McClure". The signature is fluid and elegant, with a long, sweeping underline that extends to the right.

Mary McClure
Special Assistant to the President
for Intergovernmental Affairs

The Honorable John L. Martin
Speaker of the House
House of Representatives
State of Maine
Speaker's Office
Augusta, Maine 04333



STATE OF MAINE
HOUSE OF REPRESENTATIVES
SPEAKER'S OFFICE
AUGUSTA, MAINE 04333

JOHN L. MARTIN
SPEAKER

September 3, 1991

President George Bush
White House
Washington, D.C. 20510

Dear President Bush:

As President of the National Conference of State Legislatures, I am of course concerned about the critical problems of our states and cities. Nonetheless, I feel compelled to write to you about an issue that touches all of us as human beings, and especially as Americans; Israel's challenge to absorb close to one million Soviet and Ethiopian refugees.

In September Israel will ask the U.S. to guarantee or co-sign \$10 billion in loans Israel will get from American banks to assist in this monumental task. There has understandably been some confusion about the nature of loan guarantees. Some mistakenly fear that the guarantees will decrease the amount of money available for domestic programs. Of course, this is not so. The U.S. would be simply co-signing a loan for a country with an impeccable repayment record.

While entailing little risk for the U.S., helping Israel absorb these immigrants can actually benefit America. Israel purchases more goods per capita from the U.S. than any other country besides Canada, and will buy even more as her population swells. Last year, Israel purchased \$250 million worth of housing from the U.S. for new immigrants--five times the total U.S. 1989 housing exports. U.S.-Israel business partnerships have resulted in the development of pacesetting products such as the cellular telephone and the 286 microprocessor chip used in millions of personal computers, which produced and marketed in the U.S., have resulted in tens of thousands of American jobs.

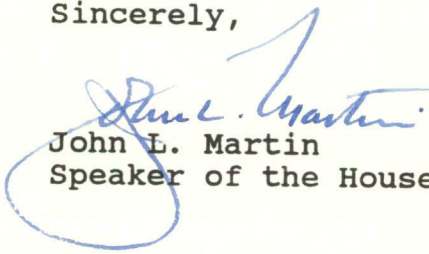
yes,
but we're
talking
about
peace

add stuff from
Conference

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It is befitting that the U.S., a nation of immigrants, played a key role in liberating these refugees. U.S. intervention largely made the airlift of 15,000 Ethiopian Jews possible, and our involvement in the several-decade campaign to get Soviet Jews out of Russia is well known. Now we Americans have an historic opportunity to play a key role--at little risk and cost to our country--in helping a fellow Immigrant-based democracy accomplish the task that is her national mandate.

Sincerely,



John L. Martin
Speaker of the House

JLM/jca