

ID# 318929

THE WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

INCOMING

DATE RECEIVED: MARCH 31, 1992

NAME OF CORRESPONDENT: MR. RICHARD ENGLAND

SUBJECT: PROVIDES FACTS HE BELIEVES WILL CAUSE THE
PRESIDENT TO RECONSIDER HIS POLICY AGAINST
GUARANTEEING ISRAEL \$10 BILLION IN LOANS

ROUTE TO: OFFICE/AGENCY	(STAFF NAME)	ACTION		DISPOSITION	
		ACT CODE	DATE YY/MM/DD	TYPE RESP	C D
KATHY JEAVONS		ORG	92/03/31	A-CK	92/05/07
REFERRAL NOTE:					
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COMMENTS:

ADDITIONAL CORRESPONDENTS: MEDIA:L INDIVIDUAL CODES: 4200 _____

PL 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

May 7, 1992

Dear Mr. England:

Thank you for your letter to President Bush regarding U.S. policy toward Israel and the Middle East. The President appreciates having your views on this important issue.

The people of Israel deserve and need peace. There finally is a peace process underway that is worthy of that name. It began in March 1991, when President Bush launched an initiative to bring about peace and reconciliation between Israel and her Arab neighbors. Since their first meeting in Madrid, the parties have met several times to negotiate directly with the objective of a comprehensive, just, and lasting peace based on UN Security Council Resolutions 242 and 338. The President and Secretary of State Baker remain committed to playing an active role in helping these negotiations to succeed while recognizing that the parties themselves must bear the primary responsibility in this regard.

There should be no question as to the continuing commitment of the United States to the peace and security of Israel. As President Bush said, "Our fundamental commitment to Israel is just that -- fundamental." Thus the Administration's disagreement with the Government of Israel on the issue of loan guarantees should not be viewed as placing fundamentals at risk. Having been in the forefront of efforts to ensure free immigration to Israel, whether from the former Soviet Union or Ethiopia, President Bush supports the principle of absorption assistance for Israel.

The Administration has been negotiating with Israeli officials and Members of Congress to design a loan guarantee program that would meet Israel's needs and be consistent with long-standing U.S. policy. The Administration believes that if we are to provide \$10 billion in

new loan guarantees to Israel, the United States must have assurances that these funds will be used consistent with post-1967 U.S. policy that settlements are an obstacle to peace. We believe that holding fast to this principle is especially important given the historic peace process underway.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Cecile B. Kremer', written in a cursive style.

Cecile B. Kremer
Deputy Assistant to the President and
Director of the Office of Public Liaison

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Richard England
Chairman Emeritus ✓

318929

March 30, 1992

Kathy Jaworski

The President
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mr. President,

I have just learned some facts that may cause you to reconsider your policy against guaranteeing Israel \$10 billion in order to absorb several hundred thousand Soviet Jewish refugees. Here is what I learned:

"In 1991 the U.S. guaranteed more than \$100 billion in loans to domestic and foreign interests. Arab states, including Algeria, Yemen, Tunisia and Egypt, received \$3 billion of those guarantees last year and guarantees for \$12 billion over the last five years. Over the next five years, the U.S. is expecting to guarantee more than \$560 billion, \$50 billion of which will go to foreign countries. None of these guarantees have been politically conditioned on a change of policy by the recipient, except for Israel's request."

I fully realize that you may not be happy about Israel's policy to establish settlements on the West Bank, but why should American policy be changed for just the country of Israel?

Respectfully yours,

Dick England