(U) It forwards information on the military and security force budget for the fiscal year ending 31 December 1976.

1. (U) The following budget was approved for the military and security forces for the fiscal year ending 31 December 1976:

<table>
<thead>
<tr>
<th>ORGANIZATION</th>
<th>IN MILLIONS OF PESOS</th>
<th>% BUDGET</th>
<th>US $ EQUIVALENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defense</td>
<td>17,984.1</td>
<td>1.1</td>
<td>69,705,814</td>
</tr>
<tr>
<td>Army</td>
<td>69,240.4</td>
<td>4.5</td>
<td>268,373,643</td>
</tr>
<tr>
<td>Navy</td>
<td>52,160.9</td>
<td>3.4</td>
<td>202,174,031</td>
</tr>
</tbody>
</table>

DECLASSIFIED IN FULL
Authority: EO 13526
DIA FOIA & Declassification Services Office
Date: Oct 19, 2018
Air Force 40,993.3 2.7 158,888,760
Gendarmerie 9,836.6 0.6 38,126,397
Naval Prefecture 10,664.7 0.7 41,326,946
Total 200,880.0 13.0 778,604,651

COMMENT: [U] The approved budget took the better part of a
government, however, increased the amount by 3.5% to a total of 13%. Another
point is that the defense budget is normally divided fairly equally between the Army, Navy and Air Force. This year between the three services which permitted the unequal
division due to the subversive problem in Argentina. The Armed Forces were apparently in agreement that the Army would have to bear the brunt of the anti-subversive campaign and therefore, properly funded for it. It is also understood that the distribution system of 1/3 to each service will return once the subversive threat is eliminated. Finally, it is unknown at this time when information on the 1977 budget will be available. Thus far, nothing has been received, although it is quite certain that the government is working on the problem.