National Security Decision Memorandum

TO: The Secretary of State
The Secretary of Defense
The Secretary of the Treasury

SUBJECT: NATO

The President has made the following decisions with regard to the issues considered at the NSC meeting of April 8, 1969.

1. REDCOSTE

   Items previously agreed should proceed. Items agreed in principle but subject to negotiation and items deferred should be examined on a case-by-case basis and we should proceed selectively. The examination should take into account our desire not to undercut our efforts to get our allies to increase their defense efforts as well as our desire not to reduce our combat capability. Those items which are approved should not be presented as a single package and we should avoid any step which would give a signal of any general reduction of U.S. forces.

   The President directed that the Under Secretaries Committee undertake the above examination and submit its conclusions, including remaining differences, with full statements pro and con, to the President for his approval.

2. Offset

   We should proceed with offset negotiations, for this year, taking fully into account their possible impact on the political situation in the Federal Republic of Germany. The subject of support costs should not be raised and we should not seek any substantial increase in the currently anticipated level of German military procurement and should not press the issue to the point of risking possible row with the FRG. At the same time, we should seek to improve the value to us of other measures to be included in the package. We should
indicate to the Germans our willingness to explore a broadening of the
discussion in future years to include discussions of monetary
cooporation in general.

As this year's negotiations proceed, the President will
wish to re-examine the package being negotiated to determine if we
should move the offset negotiations into a broader monetary context
in the present round.

The President has directed that the Under Secretaries
Committee coordinate and monitor U.S. preparations for the offset
negotiations.

The President has not made any determination about
U.S. force levels in Europe over the long run. He intends to examine
this question in the fall following the completion of the study directed
by NSSM 3 and a study which will be requested of U.S. force levels
and NATO doctrine. In the meantime, he has directed that we make
no statements and take no decisions which freeze our position over
the next several years.

Henry A. Kissinger

cc: The Chairman, Joint Chiefs of Staff