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July 10, 1972

## National Security Decision Memorandum 175

TO:

The Secretary of State
The Secretary of Defense

SUBJECT:

Review of NSSM 139 -- U.S. Policy Governing Release of Components or Technology for Inclusion in Foreign Military Exports to

Third Countries

The President has reviewed the study prepared in response to NSSM 139 and the memoranda submitted by the Departments of State, Defense, Treasury, and Commerce, and the Arms Control and Disarmament Agency, the National Aeronautics and Space Administration, and the Council on International Economic Policy.

The President has approved continued case-by-case review of the security and foreign policy considerations reflected in existing regulations and legislation governing release of U.S. components or technology for inclusion in foreign military exports. He has decided that, in cases involving a major proposed transaction, this review should include, but not be determined solely by, consideration of their overall commercial and economic impact on the United States. The President wishes it understood that in any case where a denial of release on commercial or economic grounds is contemplated, careful attention shall be given to the possible adverse impact of such action on our alliance relationships and on allied cooperative production programs.

The President further approves the devotion of additional resources to gathering improved data on possible unauthorized incorporation of U.S. components or technology in foreign military exports.

The President confirms the overall responsibility of the Secretary of State for the administration of U.S. munitions control policy. In that connection he has noted the Department of State's intention, stated in its memorandum on this subject of April 21, 1972, to assure that U.S. commercial and economic interests are considered in munitions control decisions.

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The President has directed the Under Secretaries Committee to develop procedures for implementing this directive, including the preparation of guidelines for review of commercial and economic factors. For this purpose, the Under Secretaries Committee should include representatives of the recipients of this memorandum. It should report to the President no later than September 1 on the actions taken to implement this directive.

Henry A. Kissinger

cc: The Secretary of the Treasury
The Secretary of Commerce
The Director of Central Intelligence
The Director, Arms Control and
Disarmament Agency
The Chairman, Joint Chiefs of Staff
The Administrator, National Aeronautics
and Space Administration
The Assistant to the President
for International Economic Affairs

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