

DECLASSIFIED

E.O. 12958, as amended, Sect 3.5

NSC/Soubers to Smith 09/06/2002

By LR Date 02/06/07

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

~~SECRET~~

November 3, 1971

National Security Study Memorandum 139

TO: The Secretary of State
The Secretary of Defense
The Director of Central Intelligence

SUBJECT: Policy on Sale or Release of U.S. Components
for Incorporation in Military Equipment Sales
to Third Countries

The President has directed that a study be prepared on an urgent basis concerning U.S. policy governing release of U.S. components produced or licensed as items of equipment for incorporation in military equipment to be sold by others to third countries. The study should set forth the policy options and the advantages and disadvantages of each option.

In considering the policy options, the study should take into account:

- Security considerations (the classification of the technology) .
- Political considerations as they relate to U.S. relations both with the potential seller and the potential purchaser.
- Military considerations which may bear on the decision in respect to sales in specific cases.
- Economic considerations including possible effects on the U.S. balance of payments.

The study should examine both the cases in which U.S. components or items of equipment would be included with major end items produced by a single country producer and cases in which the major end item is produced by a consortium of friendly countries in which the U.S. may or may not be a participant. The study also should take into account existing alliance relationships and the effects of each policy option on those relationships.

~~SECRET~~

~~SECRET~~

- 2 -

The study should be prepared by an ad hoc group comprising representatives of the addressees and recipients of this memorandum and the NSC staff, chaired by the representative of the Secretary of Defense, and should be submitted not later than November 30, 1971 for the consideration of the NSC Senior Review Group.

A handwritten signature in black ink, appearing to read "Henry A. Kissinger". The signature is fluid and cursive, with a long horizontal stroke at the end.

Henry A. Kissinger

cc: Secretary of Commerce
Secretary of the Treasury
Chairman, Joint Chiefs of Staff
Assistant to the President for
International Economic Affairs

~~SECRET~~