National Security Study Memorandum 145
Council on International Economic Policy Study Memorandum 20

TO: The Secretary of State
    The Secretary of Treasury
    The Secretary of Defense
    The Secretary of Agriculture
    The Secretary of Commerce
    The Director of Central Intelligence

SUBJECT: US-Soviet Trading Relationships

The President has noted that at various times the following proposals
have been put forward with respect to aspects of US-USSR trade, and
its potential expansion:

-- make available to the USSR Export-Import Bank credit and
guarantees conditioned upon Soviet agreement to negotiate a prompt
settlement of the lend-lease debt;

-- negotiate an agreement with the Soviets for their purchase over
five years of major quantities of feed grains, utilizing CCC credits;

-- reduce the US export control list to the level maintained by
COCOM, except for those items significantly related to the design,
production and utilization of military hardware;

-- establish a joint US-USSR high level working group to make
recommendations concerning mutual scientific and technological
matters;

-- negotiate with the Soviets a mutual reduction in travel restric-
tions and a program of promoting tourism (including the possible
participation by US hotel firms in the development of Soviet tourist
facilities);

-- propose to Congress authority for the President to grant most-
favored-nation treatment to the USSR, and extend this to the Soviets upon
the settlement of the lend-lease debt; at the same time, propose to Congress the repeal of the Johnson Act;

--- negotiate a trade agreement with the USSR, which would include Soviet protection of US copyrights.

The President has directed that these proposals be reviewed to include an examination of the advantages and disadvantages of each proposal and an assessment of the most appropriate time frame for implementation should he decide to approve any of the proposals. The views of the interested departments and agencies with respect to each proposal should be included. The President has directed that this review be accomplished by a CIEP Ad Hoc Group, chaired by the representative of the Assistant to the President for International Economic Affairs and comprising representatives of the addressees and the NSC staff.

The report of the Ad Hoc Group should be submitted by January 28, 1972, for consideration by the CIEP Review Group and the Senior Review Group.

Henry A. Kissinger

Peter G. Peterson