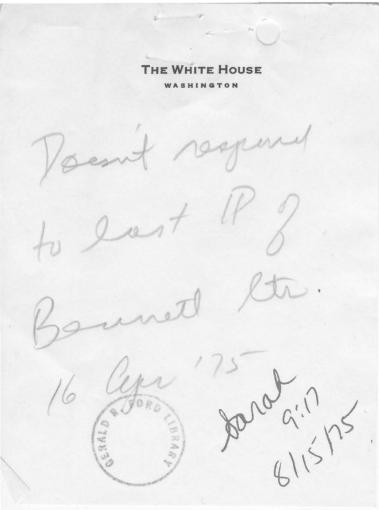
The original documents are located in Box 31, folder "Strategic Stockpile" of the John Marsh Files at the Gerald R. Ford Presidential Library.

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| FORM OF DOCUMENT | CORRESPONDENTS OR TITLE | DATE | RESTRICTION |
| | . Staff Secretary Action Memoranda, 8/14/75 | 0/12/75 | A |
| La. Memo | Henry Kissinger to the President (3 pp.) | 8/13/75 | |
| lib. Memo | NSDM 203 (2 pp.) Sug. WIth 11/28/80 | 2/6/73 | A |
| Lc. Memo | NSSM (2 pp.) | Undated (ca. 8/75) | A |
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| FILE LOCATION | Marsh Files General Subject File Strategic Stockpile | Box | 31 |
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| SUBJECT: | |
|---|-------------------------|
| DUE: Date: August 15, 1975 | Time: 10 P.M. |
| FROM THE STAFF SECRETARY | |
| Jack Marsh | |
| FOR ACTION: | cc (for information): |
| Date: August 14, 1975 | Time: |
| A REPORT OF A REPORT OF A REPORT OF A REPORT OF A | WHITE HOUSE LOG NO.: |

Henry Kissinger's Memo of 8/13/75 re THE STRATEGIC STOCKPILE

ACTION REQUESTED:

- For Necessary Action

X___ For Your Recommendations

____ Prepare Agenda and Brief

__ Draft Reply

_ Draft Remarks

X For Your Comments

REMARKS:

We would like to have this back in time to go out on the courier on Friday afternoon.



PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please - Jim Connor telephone the Staff Secretary immediately.

For the President

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THE WHITE HOUSE WASHINGTON

Dear Mr. Chairman:

Thank you for your April 16 letter in which you express your concern over current strategic stockpile policies. I have also considered your previous letters in which you voice similar concerns.

First, let me reassure you that current Administration policy regarding strategic stockpiles is clear. Stockpile planning should be based on the following assumptions:

-- Stockpile levels will be required to support United States military forces of up to five million men during the first year of a war in both Europe and Asia.

-- Imports will not be available during the emergency from Communist bloc countries and countries in the war zones; imports from other countries where political disruption or hostile action at sea is expected will be reduced.

-- Domestic personal consumption will be reduced if necessary to sustain defense production; however, per capita living standards should not fall significantly below that of the last non-war year.

-- Specific material levels should reflect the national economy's capacity to adjust to rapid changes in demand for and availability of material, including substitution of non-critical for critical materials.

Because of the concerns you have expressed, the Executive Branch has undertaken a thorough review of stockpile policies, including each of the planning assumptions. On the basis of these studies, and taking into account the points you have raised, I am considering possible changes to the stockpile planning assumptions to see if a satisfactory compromise can be found. Meanwhile, I will continue to request disposal bills, but only for materials clearly excess to national security requirements as determined under any of the options being considered -- as I have done throughout the period in which this matter has been under review. I hope that your committee will give such bills a full and prompt hearing.

My staff will be happy to discuss these matters with you in more detail at your convenience.

Sincerely

Honorable Charles E. Bennett
Chairman, Subcommittee on Seapower and Strategic and Critical Materials
House of Representatives
Washington, D. C. 20515

UDEEN

NATIONAL SECURITY COUNCIL WASHINGTON, D.C. 20506

CONFIDENTIAL/NGDS

February 6, 1973

National Security Decision Memorandum 203DECLASSIFIED
E.O. 12958, Sec. 3.5TO:The Secretary of State
The Secretary of DefenseBy Altral
Director, Office of Emergency Preparedness
The Director, Office of Management and Budget
The Administrator, General Services AdministrationSUBJECT:Revised Guidelines for Stockpile Planning

The President has reviewed the current guidelines for Stockpile planning. To bring the National Stockpiles of Strategic and Critical Materials into correspondence with national security requirements, he has directed that the determination of the quantitative levels and materials composition of stockpile inventories shall be based on three principal assumptions:

1. The impact on material demand and supply during a national emergency will be no greater than that which would occur if:

A. Military conflict arose in Europe and Asia for a period of up to one year.

B. The U.S. were to support a military force of up to 5,000,000 men for the duration of conflict.

2. Imports to the United States during such a conflict will be available as normal with the following exceptions:

A. Imports will not be available from Communist bloc countries and countries in the war zone.

B. Imports will be available at reduced levels from other countries where political disruption or hostile action at sea is expected to impede normal import patterns.

3. Extraordinary measures, including limitations on real personal consumption, will be taken if necessary within the national economy to sustain defense production. These measures thall not cause per capital

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living standards to fall significantly below levels attained in the most recent preconflict year.

Determination of specific material requirements shall:

-- Take into account the capacity of the national economy to adjust to rapid change in the demand for and availability of materials.

-- Reflect, in particular, the possibilities for substitution of noncritical materials for critical materials in production processes.

The aggregate value of materials held against estimated inventory requirements shall not exceed \$1,500 million (June 1972 prices).

The Director, Office of Emergency Preparedness, shall adjust the stockpile inventory requirements to reflect the Revised Guidelines. New material purchase or disposal actions shall not be initiated until the Director has prepared a Stockpile Report which includes:

-- A comprehensive list of material requirements.

-- A review of demand estimates for materials, where purchase or disposal action in the FY 1973-75 time period appears contingent upon substitution possibilities.

-- A determination as to any need for adjustment in the dollar value of the ceiling on stockpile inventory requirements.

This report shall be submitted to the Assistant to the President for National Security Affairs within fifteen days from this issuance.

The Administrator, General Services Administration, shall advise the Secretary of State and the Assistant to the President for Economic Affairs with regard to possible market entries by the Government for major disposals or purchases pursuant to the specific material requirements established by the Office of Emergency Preparedness.

The Secretary of State shall advise the President with regard to the implications of stockpile disposal actions for United States foreign relations.

Henry A. Kissinger

cc: The Secretary of the Treasury

CONTRACTOR COS

HARLES E. BENNETT

ARMED SERVICES COMMITTEE CHAIRMAN OF SEAPOWER SUBCOMMITTEE SENIOR MEMBER OF MILITARY INSTALLATIONS AND FACILITIES SUBCOMMITTEE

AUDREY W. STRINGFELLOW ADMINISTRATIVE ASSISTANT IN CHARGE OF JACKSONVILLE OFFICE 352 FEDERAL BUILDING 32202 TELEPHONE 904-791-2587

BRENDA TAYLOR

Congress of the United States

House of Representatives

Washington, D.C. 20515

April 16, 1975

STEPHEN R. JOHNSON

JOHN W. FARLEY

SHARON H. SIEGEL SHIRLEY BRYANT HELENA M. STRAUCH JEAN MANN BARBARA PELLEY BARBARA LYLE CATHY COLLINS SECRETARIES

Honorable Gerald R. Ford President of the United States The White House 1600 Pennsylvania Avenue Washington, D. C. 20500

Dear Mr. President:

I wrote you on March 27 as shown by the enclosed copy of that letter. I have received the enclosed March 29 response. In the meantime I have received a letter from the Acting Assistant Secretary of Defense (Installations and Logistics) John J. Bennett dated April 11 marked "secret" together with secret enclosures, which I will not discuss with you now so my letter to you today will not have to be classified "secret". However, in view of the contents of that April 11 letter above referred to, it is not expected the Subcommittee on Stockpiles, which I chair, will hold any hearings on stockpile matters until the present conflict in the Executive Branch on this matter has been eliminated. There is an easy solution to putting the train on the track regarding the disposal of unneeded commodities and that easy solution appears to be at this moment the return by the White House to the criterion, guidelines and objectives which existed prior to 1973. This would be a simple decision for the White House to make and it could in all probability eliminate all further delay. Short of that decision, the only way the delay could be eliminated is a resolution within the Executive Branch of the very disturbing present conflict of opinion. I am not sure a return to the criterion used prior to 1973 will eliminate the problems but it is certain a failure to return to that prior to 1973 criterion leaves great dissent in the Executive Branch and a lack of needed decision in security.

In view of the above I am asking that I may have an opportunity to visit with you in the White House for two or three minutes to discuss the April 11 letter and to try to resolve this matter if it can be resolved. Correspondence by me with people in the Executive Branch has not be able to resolve this over a period of many, many months.

With kindest regards, I am

Sincerely,

Charles E. Bennett

CEB:ss

THIS STATIONERY PRINTED ON PAPER MADE WITH RECYCLED FIBERS

MEMBER 30 DISTRICT, FLORIDA

CHAIRMAN OF SEAPOWER

SUBCOMMITTEE SENIOR MEMBER OF MILITARY INSTALLATIONS AND FACILITIES SUBCOMMITTEE

AUDREY W. STRINGFELLOW ADMINISTRATIVE ASSISTANT IN CHARGE OF JACKSONVILLE OFFICE 352 FEDERAL BUILDING 32202 TELEPHONE 904-791-2587

BRENDA TAYLOR

Honorable Gerald R. Ford President of the United States The White House 1600 Pennsylvania Avenue Washington, D.C. 20500

Dear Mr. President:

Enclosed herein is a letter that I have written to the Department of Defense and to the Joint Chiefs of Staff and the National Security Council which is self explanatory. I do not know with whom I should speak on this matter but I believe that it would serve a useful purpose if the Executive Branch of the government came to grips with the fact that the guidelines which are being used in the presentation of stockpile reduction are admittedly improper. If this were a matter that had been only of recent origin it would not be so important perhaps; but this situation has now been pending for several years and someone in the Executive Branch of the government will have to take the matter in hand and resolve it because Congress cannot be expected to enact legislation sought by the Administration when there is no doubt that the basis for the requests are improper, as admitted by outstanding officials in the Administration.

With kindest regards, I am

Sincerely,

Charles E. Bennett

CEB/bl Enclosures

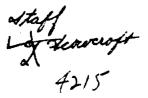
Congress of the Anited States House of Representatives Washington, D.C. 20515 March 27, 1975

ADMIHISTRATIVE ASSISTANT

JOHN W. FARLEY

SHARON H. SIEGEL SHIRLEY BRYANT HELENA M. STRAUCH JEAN MANN BARBARA PELLEY BARBARA LYLE CATHY COLLINS SECRETARIES





EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

JUL 1 1 1975

MEMORANDUM FOR BRENT SCOWCROFT

Subject: Draft National Security Study Memorandum (NSSM) on Strategic and Critical Stockpile Planning Guidance

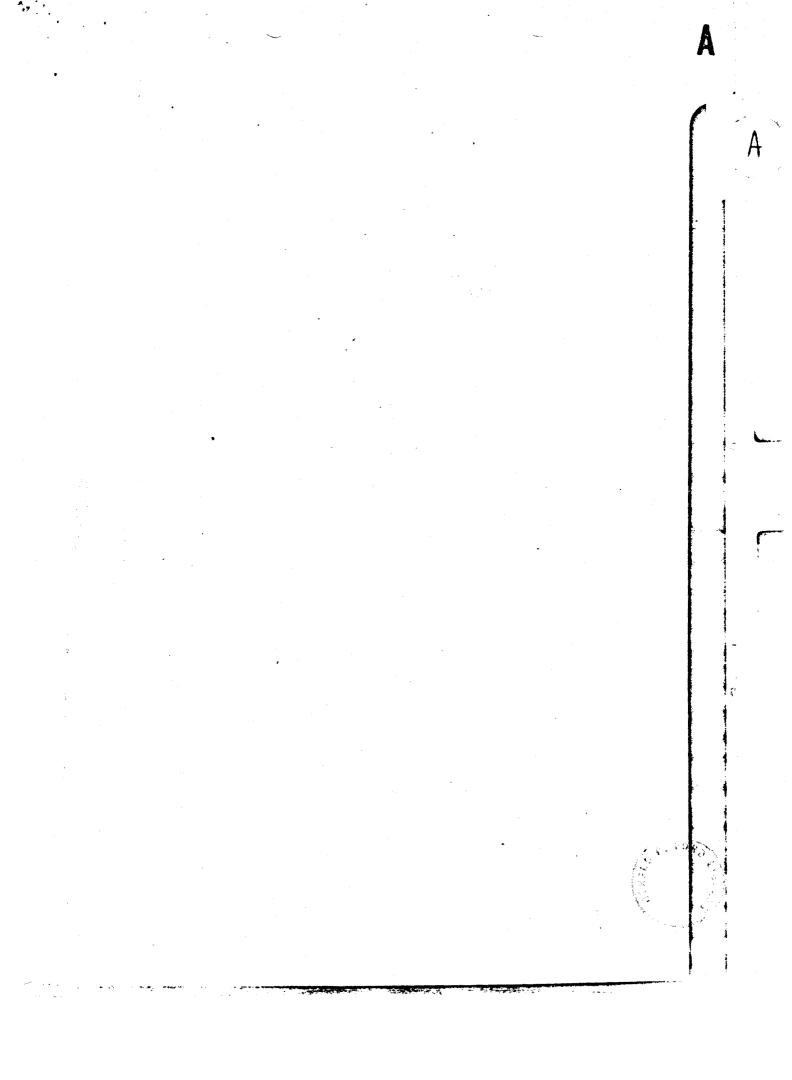
The Office of Management and Budget concurs in the attached NSSM on stockpile planning, as well as the proposed letter from the President to Congressman Bennett.

We believe that it is important to present the President with strategic stockpile planning options on a timely basis and, at the same time, continue to seek disposal legislation for those materials which are clearly excess to national security requirements.

Lynn

Director



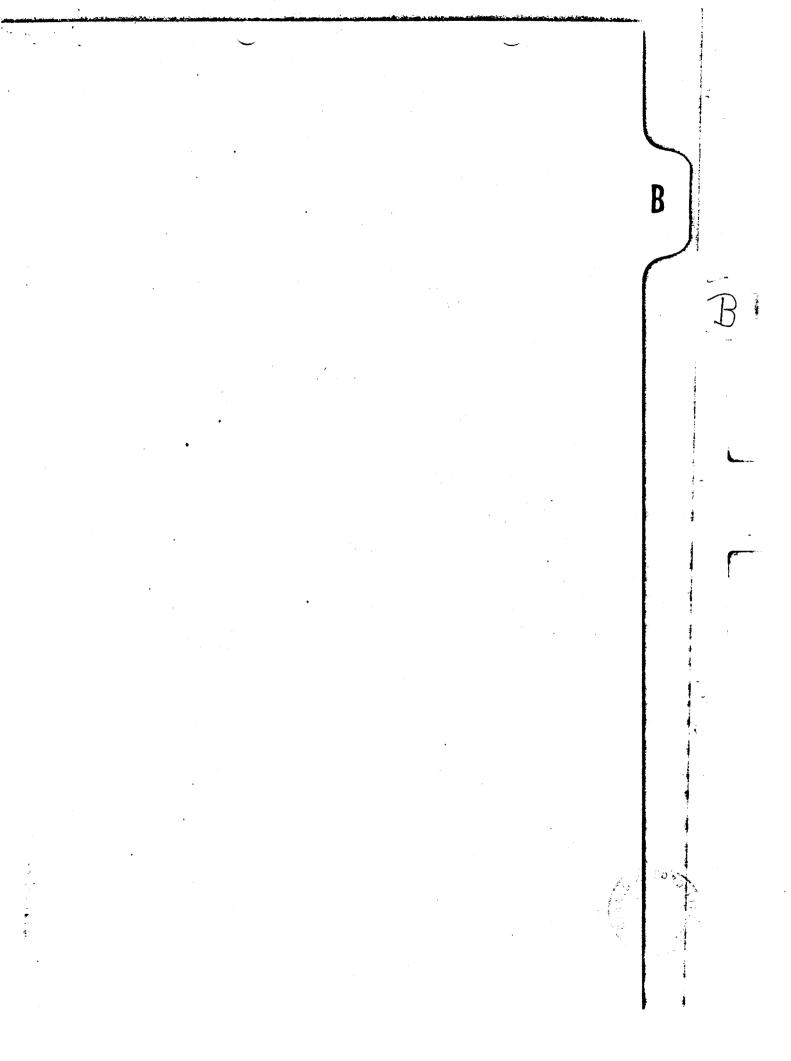


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THE WHITE HOUSE

WASHINGTON

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My staff will be happy to discuss these matters with you in more detail at your convenience.

Sincerely

Honorable Charles E. Bennett
Chairman, Subcommittee on Seapower and Strategic and Critical Materials
House of Representatives
Washington, D. C. 20515

August 26

THE WHITE HOUSE WASHINGTON

TO: MAX FRIEDERSDORF

FROM: JOHN O. MARSH, JR.

_____For Direct Reply

____For Draft Response

_____For Your Information

Please Advise

Please prepare a schedule proposal for the attached. Thanks.

jel

THE WHITE HOUSE

WASHINGTON

August 18, 1975

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

HENRY A. KISSINGER

FROM:

JAMES E. CONNOR JE

SUBJECT:

The Strategic Stockpile

The President has reviewed your memorandum of August 13th on the above subject and requested that the letter to Charles Bennett be revised to reflect the following:

"I will meet with him as soon as possible".

Please follow-up with appropriate action.

cc: Don Rumsfeld Jack Marsh Jerry Jones Manual Manual Allow Allow



represt.