The President has directed a review of U.S. and Allied security policy in Southern Europe and along NATO's southern tier over the near- and mid-term. The study should examine the viability and effectiveness of U.S. and Allied security aims, arrangements, forces and bases in light of changes in the area, and should develop and assess U.S. and Allied near- and mid-term options.

The framework for the study should encompass:

- Overall U.S. interests in the region, including the U.S. political, military, and economic relationship with NATO, the EC, and Western European states;
- U.S. security aims vis-à-vis the Soviets in the region; and
- U.S. interests vis-à-vis the Balkan states.

The study should consider inter alia:

- Present and potential changes in the area that bear on U.S. and Allied security policy, including domestic political developments and changes in external policies in Southern Europe, the evolution of Soviet capabilities, trends in Allied forces in the area, and the impact of economic factors, including energy, on the region;
- The political and military implications of changes in Southern European membership or participation in NATO;
The consequences of elimination or curtailment of U.S. and Allied bases and facilities in the area (taking into account the Azores study being carried out in response to NSSM 221);

- Prospects for an increased Allied and Western European political and military role in the area;
- The implications of new military and intelligence capabilities and technologies for U.S. force and base structure in the area.

The study should assume continuation of the current policy line in base negotiations with Portugal, Spain, and Greece and postulate a range of outcomes for purposes of analysis.

The study should be prepared on a priority, need-to-know basis by an NSC Ad Hoc Group composed of representatives of the addressees, the JCS and the NSC staff, and chaired by the representative of the Department of State. The completed study should be transmitted no later than May 28, 1975, for consideration by the NSC Senior Review Group.

Henry A. Kissinger

cc: Chairman, Joint Chiefs of Staff