

Gen. Searcy

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

~~CONFIDENTIAL~~ - XGDS (3)

May 19, 1975

National Security Study Memorandum 223

TO: The Secretary of Defense
The Deputy Secretary of State
The Director, Arms Control and
Disarmament Agency
The Director of Central Intelligence

SUBJECT: Review of U. S. Policy on Arms Transfers

The President has directed a review of U. S. policy on arms transfers for foreign nations.

The study should present a statistical study of the growth of U. S. transfers of both defense articles and services in the past four years, including both commercial and FMS sales cases and grant aid, and compare these transfers in monetary value, and types and quantities of equipment, with transfers by other nations. In making this comparison, the impact of inflation should be taken into account. An effort should also be made to estimate sales by the U. S. and other countries over the next four years.

The study should analyze long-term U. S. interests in the transfer of defense articles and services and propose alternative policies, including limits which might be applied to U. S. arms transfers unilaterally or in concert with other suppliers. The study should also review existing and proposed USG mechanisms for controlling arms sales.

The study should be conducted by an NSC Ad Hoc Group, chaired by a representative of the Secretary of State and comprising representatives of the addressees and the NSC Staff. The study should be completed by June 20, 1975 for submission to the Senior Review Group for review prior to consideration by the President.



Henry A. Kissinger

cc: Chairman, Joint Chiefs of Staff

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