DOCID: 3978998

NATIONAL SECURITY AGENCY
CENTRAL SECURITY SERVICE
FORT GEORGE G. MEADE, MARYLAND 20755

Serial: N1070
19 September 1977

Approved for Release by NSA on 06-14-2012 pursuant to E.O. 13526

MEMORANDUM FOR THE DIRECTOR OF POLICY REVIEW, OFFICE OF THE SECRETARY OF DEFENSE

SUBJECT: Government-to-Government and International Liaisons Which May Result in Export Proposals

1. Attached is a draft Presidential Directive on the above subject which is a product of our mid-August discussion concerning IBEX and PALM. Mr. Bader and Lt. Col Fryer and members of my staff also discussed this subject on 25 August.

2. I believe issuance of this Directive and Government wide compliance therewith will preclude future projects involving exports in which both DoD and NSA find themselves something less than aware until after the U.S. is committed.

3. Should further discussions on this matter be desired, please call upon me or my staff at any time.

B. R. INMAN
Vice Admiral, U. S. Navy
Director, NSA/Chief, CSS

Incl:
a/s

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THE WHITE HOUSE
Washington

Presidential Directive/NSC-

TO: The Vice President
The Secretary of State
The Secretary of Defense

ALSO: The Secretary of the Treasury
The Secretary of Commerce
The Secretary of Agriculture
The Secretary of Transportation
The Attorney General
The Secretary of Energy
The Director, Office of Management and Budget
The Assistant to the President for National Security Affairs
The Director of Central Intelligence
The Chairman, Council of Economic Advisors
The Administrator, Agency for International Development
The Director, Arms Control and Disarmament Agency
The Chairman, Joint Chiefs of Staff

SUBJECT: Government-to-Government and International Liaisons which May Result in Export Proposals

In other Presidential Directives I have evidenced my concern with nuclear proliferation as well as the export of high state-of-the art technology and arms transfers. In each instance, I have directed a policy of restraint on the part of the United States, stressing that we will not be the first to introduce new weapons systems or greater arms capabilities into an area. Further, I have directed that in all instances, the advantages and disadvantages to the U. S. be assessed and that a net advantage must accrue to the United States in each export case, in addition to contributing to our national security interests.

To define this policy of restraint further and to insure that all cognizant elements of the Government are included in the review and control of proposed exports of advanced technology and systems, I direct that all U. S. Government officials who engage in discussions with officials of foreign governments or international organizations which may result in exports will:

1. Insure that national security considerations are fully taken into account from the beginning stages of any international liaisons having the potential of promoting exports of technology and systems;

2. In the earliest stages of such liaison, albeit in general terms at this stage, ascertain the level and type(s) of technology which may be required to be exported if the initiative is carried out;

3. Prior to making any U. S. commitment, even informal, insure that coordination is effected with and counsel sought from all potentially concerned U. S. Government departments and agencies and appropriate governing bodies; e.g., coordination of proposals to export intelligence systems or system technical data will include at least the National Foreign Intelligence Board and for U. S. Government approved cryptographic equipment, the U. S. Communications Security Board. Sensitivity or classification of liaisons which may lead to government-to-government/international agreements

and exports will not obviate this coordination requirement, irrespective of whether or not conventional export control, aid or sales mechanisms, or classified government-to-government channels are to be used to effect the proposed exports.

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P. A. Cobb

P. A. COBB, D4, 3083, 15 Sep 77, jsj