## NATIONAL SECURITY COUNCIL WASHINGTON, D.C. 20506

## -CONFIDENTIAL

October 13, 1969

## National Security Study Memorandum 79

TO:

The Secretary of State

The Secretary of Defense

The Secretary of the Treasury
The Secretary of Agriculture
The Secretary of Commerce

The Director of the Central Intelligence Agency

The Director of the Bureau of the Budget

The Chairman of the Council of Economic Advisers The Special Representative for Trade Negotiations

SUBJECT:

U.K. Accession to the European Community

The President has directed the preparation of a study of U.S. policy toward U.K. accession to the European Community. The study should discuss the options open to the U.S. in connection with different forms of proposed accession, how these forms will affect the economic and political unity of the Community, and their bearing on the United States. The study should take into account accession by other countries whose entry might accompany or follow that of the U.K.

The study should analyze the effects on U.S. trade and investment of the probable forms of accession, both in the near and longer terms, directly and in relation to third countries. This should include analysis of the impact of accession on EC trade and monetary policies, including the common agricultural policy and new proposals for its reform. It should consider the possibility of policy changes beyond the EC context itself which might be related to U.K. accession, such as Commonwealth trading arrangements and the problem of the U.K.'s external indebtedness.

The study should examine the effects of British accession, and that of others, on the course of political unity in the EC. It should consider the implications for U.S. relations with the future members and with third countries.

The study should make recommendations concerning (a) any conditions which might cause the U.S. to question its basic support for accession;

CONFIDENTIAL

(b) the types of accession arrangements which would most benefit U.S. economic and political interests; and (c) the tactics the U.S. should adopt, if any, toward either of these courses of development.

The study should also examine the opportunities open to the U.S., particularly in the fields of trade, international monetary policy, investment, and agricultural policy in order to take the fullest advantage of the fundamental changes attending U.K. accession in order to promote U.S. economic and political interests.

The study should be performed by an ad hoc group under the direction of the Department of State and should include representatives of the Departments of Defense, Treasury, Commerce and Agriculture, the Central Intelligence Agency, Office of the Special Representative for Trade Negotiations, the Council of Economic Advisers, the Bureau of the Budget and the Assistant to the President for National Security Affairs. The study should be submitted to the Review Group by February 15.

In the interim there should be submitted for approval a memorandum containing guidance for U.S. Government officials during the time until decisions can be made on the basis of the study.

Henry A. Kissinger

CONFIDENTIAL