

NATIONAL SECURITY COUNCIL WASHINGTON, D.C. 20506

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May 27, 1971

National Security Study Memorandum 127

TO:

The Secretary of State

The Secretary of Defense

The Director of Central Intelligence

SUBJECT:

Policies Toward Australia and New Zealand

The President has directed a review of our policies toward Australia and New Zealand. The study should identify United States interests with respect to these two countries, assess the issues in our relations, and set forth policy options for dealing with them. The study should also identify and assess important trends and issues affecting the longer term relations of Australia and New Zealand with ourselves and other nations, particularly those of the East Asia and Pacific region.

In particular, the study should consider, but not necessarily limit itself to:

- -- Australian and New Zealand attitudes toward their international roles and relations with the United States and the likely impact of local developments such as the 1972 Australian national elections on these attitudes.
- -- The regional context of U.S. policy and the role the U.S. should advocate for Australia and New Zealand within the region. The relationships between Australia and New Zealand and the other regional powers, including Japan, should also be carefully analyzed.
- -- The forward defense postures of these two countries and how they are affected by our own changing defense posture in Asia.
- -- The potential roles which Australia and New Zealand can play in furthering regional cooperation efforts, including those in the security field going beyond the present Five Power Defense Arrangement.
- -- Defense arrangements with the United State's to include a discussion of the Anzus treaty, naval facilities in Western Australia, and other important aspects of our military collaboration with Australia and New Zealand.

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-- Australia and New Zealand's economic interests and an identification of bilateral and multilateral economic issues of interest to the United States in such fields as finance, trade, development and transportation. This analysis should include a review of the economic relationships which these countries have to the U.S. and the effect on them of such developments as UK entry into the EEC and Japanese economic growth.

The study should be prepared by the Interdepartmental Group for East Asia and forwarded by July 15, 1971 to the Assistant to the President for National Security Affairs for consideration by the Senior Review Group. In considering the economic issues, the Interdepartmental Group for East Asia should include representatives of the Secretaries of Treasury, Commerce and Agriculture, and the Assistant to the President for International Economic Affairs. The economic issues will be considered by the CIEP Review Group prior to consideration of the full study by the NSC Senior Review Group.

Henry A. Kissinger

cc: The Secretary of the Treasury
The Secretary of Commerce
The Secretary of Agriculture
The Chairman, Joint Chiefs of Staff
The Assistant to the President for
International Economic Affairs