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NSC/Soubers to Smith 09/06/2007

By GA Date 02/06/07

THE WHITE HOUSE

WASHINGTON

SECRET/XGDS

July 29, 1974

National Security Study Memorandum 206

Council on International Economic Policy Study Memorandum 36

TO: The Secretary of the Treasury
 The Secretary of Defense
 The Deputy Secretary of State
 The Administrator, Federal Energy Administration
 The Administrator, Environmental Protection Agency

SUBJECT: Relations with Canada

With the Canadian elections just concluded and a majority government in power, the President has requested a review of the status of U. S. relations with Canada.


The study should provide both a broad overview of the relationship and an examination of the near-term political issues that will require action in the coming months. The issues addressed in the study should include the following: Foreign Policy Issues, Balance of Payments and Monetary Issues, Defense Relations, Industrial Policy, Energy and Resources, Environmental Matters, Canadian Trade Policy, Agricultural Trade, Transportation and Communications, and Bilateral Legal Matters. The study should also examine the role of existing inter-country mechanisms dealing with the above issues. The study should assess the relative importance and priority attaching to these issues, suggest alternative approaches, and propose a program and timetable for dealing with them. Additionally, the study should address these issues in the context of the overall US-Canadian political perspective. As many of the issues are economic, CIEP/SM 17, U. S. Economic Policies Toward Canada, submitted on December 19, 1972, should be consulted, updated and incorporated as appropriate in the study.

The study should be prepared by an NSC-CIEP Ad Hoc Group comprising representatives of the addressees and of the Assistant to the President for National Security Affairs and the Executive Director, Council on

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International Economic Policy, and chaired by the representative of the Department of State. To facilitate preparation of the study, inter-agency working groups should be established to address the specific issues identified above, with working group chairmanships as follows: foreign policy issues (State); balance of payments and monetary issues (Treasury); defense relations (Defense); industrial policy and agricultural trade (CIEP); and other issues (State). The Chairman of the working groups listed are responsible for submission of draft contributions to the Ad Hoc Group on specific subjects by August 20, 1974.

The study in final form should be forwarded not later than September 10, 1974, for consideration by the NSC and CIEP Senior Review Groups prior to submission to the President.


Henry A. Kissinger


William D. Eberle

cc: Counselor to the President for Economic Affairs
Director, Office of Management and Budget
Chairman, Council of Economic Advisers
Chairman, Joint Chiefs of Staff
Director of Central Intelligence
Special Representative for Trade Negotiations