NATIONAL SECURITY DIRECTIVE 35

MEMORANDUM FOR THE VICE PRESIDENT
THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE SECRETARY OF DEFENSE
THE ATTORNEY GENERAL
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE SECRETARY OF LABOR
THE SECRETARY OF TRANSPORTATION
THE SECRETARY OF ENERGY
THE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET
THE UNITED STATES TRADE REPRESENTATIVE
THE CHAIRMAN, COUNCIL OF ECONOMIC ADVISORS
ASSISTANT TO THE PRESIDENT FOR ECONOMIC AND DOMESTIC POLICY
DIRECTOR, OFFICE OF SCIENCE AND TECHNOLOGY POLICY ADMINISTRATOR, ENVIRONMENTAL PROTECTION AGENCY

SUBJECT: U.S.-Soviet Economic Initiatives

To implement the various economic initiatives proposed at Malta, I direct that the following process be used:

1. The National Security Council and the Economic Policy Council will jointly coordinate the economic initiatives and outstanding policy differences among departments and agencies. All relevant departments and agencies will be included in NSC/EPC meetings on these economic initiatives.

2. The Trade Policy Review Group has responsibility to prepare for negotiations on the trade agreement, investment treaty and GATT observership. The United States Trade Representative will have lead responsibility for conduct of negotiations on the trade agreement and issues relating to GATT observership. The Secretary of State will have lead responsibility for the conduct of negotiations on the investment treaty.

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3. The Assistant Secretary of State for European Affairs and the Assistant Secretary of the Treasury for International Affairs will co-chair joint meetings of the PCC for Soviet Affairs and the PCC for International Economics to develop the various technical economic cooperation issues proposed at Malta, and for managing matters dealing with the Jackson-Vanik restrictions. The joint PCCs will also be responsible for developing a legislative and public liaison strategy to explore the lifting of statutory restrictions on export credits and guarantees and for issues relating to improving ties between the Soviet Union and the OECD and East-West economic cooperation through the economic basket of the CSCE process. (C)

4. An ad hoc steering group co-chaired by State and Treasury at the sub-Cabinet level will have responsibility for integrating the various economic subjects discussed above in preparation for the U.S.-Soviet Summit for presentation to the joint meetings of the National Security Council and Economic Policy Council. (C)